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CONTROVERSY ABOUT DUTCH MILITARY OPPOSED TO NUCLEAR WEAPONS

No Career for Conscientious Objectors

Amsterdam ELSEVIERS MAGAZINE in Dutch 1 Nov 80 pp 14-17

[Article by Frank Lafor]7

[Text] Officers with conscientious objections in nuclear matters, says Minister of Defense De Geus, might as well forget a successful career in the army. Military men must be generally capable of being put into action. A reasoning which, according to De Geus, parliament does not question. Besides, "dissident" military men must accept the democratic rules of the game, determined by parliament. If they do not do that, then there is a real danger of the army becoming a political factor in the Dutch legal system.

"In the Dutch military forces, it is the majority which says they want to carry out the assignments imposed on them, as is required of them. All attention, especially of the media, is now concentrated on conscientious objectors. Up till now there have been only two professional military men, who have declared--if aggression is committed against our country and it is threatened with nuclear weapons--that we could no longer count on their support. One of them is Captain Stelling, while the other, a naval officer, wants to remain anonymous."

"What concerns me further is that parliament, during the discussion about conscientious objectors in our army, gave very little attention to the Law on Conscientious Objectors in Military Service. This legislation, which is unique in the world, has enough contact points to accommodate the conscientious objections of atomic pacifists," according to minister of defense, doctoral candidate P.B.R. de Geus.

At the Ministry of Defense, the minister rejects the reproaches which defense specialists of the PvdA [Labor Party], D'66 [Democrats

'667 and CDA [Christian Democratic Appeal] directed at him a few minutes previously in a public commission meeting. Doctoral candidate De Geus warded off still somewhat uncomfortably last week at the commission meeting the obnoxious criticisms and sarcastic remarks of parliamentary experts. It is clear that De Geus still must accustom himself to the "great political game," was the remark of the communist Wolff, who wearily complained during the meeting that the representatives did not go much further with the "innocuous answers" of the minister about conscientious objectors.

However, De Geus is not completely lacking any political experience as he himself has emphasized. Like his predecessor, Dr Scholten, De Geus was a member of the CHU [Christian Historical Union] (meanwhile he joined the CDA), in which he was chairman of the defense committee for a time.

In 1970 he was elected as a member of the Maasluis Town Council, 3 years later De Geus was the chairman of the local CDA group. In 1977 he decided to switch from local to national politics, when he appeared on the CDA slate for the Second Chamber. However Doctoral Candidate De Geus was appointed in the same year as director general of economics and finance at defense, to be placed in charge of this department in the middle of 1980, after the appointment of Minister Scholten as vice president of the Council of State.

On taking office, he inherited a number of critical problems, of which "conscientious objectors" is one of the most difficult. The subdued emotional discussion in civilian society about whether or not to station new nuclear weapons in Dutch territory rages like a peat bog fire in the military forces, aroused by the position of only two military men.

After being in office hardly a month, De Geus issues a letter on 14 October to his commanders about the assignment and role of nuclear weapons in the army and problems of conscience. De Geus says the letter is intended to clarify matters, and, of course, regarding questions of commanders and the Defense Personnel Division. The letter must establish general principles.

The political leader says the cornerstone of defense policy is to promote stability in international relationships. "The government and the majority of the people's representatives assume therefore, that in the existing international situation nuclear weapons are essential to prevent war through deterrence. The deterrent effect of nuclear weapons is based on the unacceptable risk which an aggressor would run. The prevention of war rests on this. That is the paradox of nuclear weapons; by being willing to use them, they do not need to be used."

Moreover, the Netherlands itself does not have any nuclear weapons. Consequently Dutch military personnel only have contact with these weapons incidentally and mostly indirectly in peacetime, for example, in guarding American nuclear weapons.

In the original reasoning of De Geus, "the way of resignation on request is open" for the military personnel who cannot accept the ministerial point of view. Under pressure from the chamber, De Geus had to abandon this way and he will soon consult with military interest associations to jointly seek alternatives in the military forces for conscientious objectors. That certainly has consequences for the "dissidents" careers. De Geus: "An officer with objections, who wants to be a brigade commander, can never win such a position because he is not generally capable of being put into action. You must understand that well."

The minister says the military forces can never carry out their assignment with two kinds of people: "Namely with people who can be relied on completely and others who cannot be counted on under all circumstances." Therefore general capability of being put into action is the fundamental principle of organization and personnel policy in the military forces: "an inflexible point in my reasoning which the chamber majority has not questioned," according to De Geus, who calmed the alarmed NOV Netherlands Officers Association with his definite decision. The NOV Executive Committee recently warned the top political officers in defense about the increasing unrest among officers, especially about the often frequent polemics in the press about nuclear weapons problems, in which military men are "portrayed as potential war criminals."

Clearly dissatisfied with the minister's letter is the socialist, doctor of laws, K. de Vries, who says that "the tone of the letter is false." The PvdA defense specialist suggested last week that the majority of the Dutch people no longer support the deterrence scenario used by NATO. A reasoning which contrasts sharply with the attitude of the leading PvdA candidate, Den Uyl, who even threatened to quit, if his political comrades should decide to withdraw from NATO.

The internal disunity in the PvdA about the (atomic) security policy to be carried out is not an isolated case. The members are also divided in the christian democrats, the largest government group and in D'66. That division of minds was also clearly expressed last week in the military forces, where 30 persons, for the most part, professional officers, have set up a special "Military Forces Peace and Security Consultation." A vehicle, which according to the organizers is intended to discuss nuclear weapons problems in the military forces.

The unrest in the military forces has not appeared out of the thin air, without any further ado. At the end of '78, Lieutenant Colonel

Couzy in his farewell speech as chairman of the NVO criticized defense policy as contradictory. He points out that the government says, on one hand, that it wants to reduce the role of nuclear weapons and, on the other hand, to adopt a number of tactical weapons for nuclear use. A paradox which was mentioned earlier in the disarmament report of the Marijnen cabinet (1964). The ministers at that time emphasized that, as a result of the revolutionary weapons technological developments of the postwar years, increasing armament, intended to increase security, in fact is going to create more and more insecurity. Sixteen years later Minister De Geus writes to his commanders that the Van Agt government considers it alarming that the maintenance of peace and freedom especially "must be based on such destructive means. Consequently we cannot be resigned to the present condition of nuclear armament."

According to experts, we see here the tension which government and parliament have slowly created in the course of the years. While various cabinets emphasized clearly in all kinds of reports that we were on the wrong path with armament, is it strange that military men, as the eventual executors, develop problems of conscience? No says doctoral candidate H.J.M. Brentjens, teacher of social psychology and youth problems at the KMA [Royal Military Academy] in Breda: "Those who become pacifists in the midst of these bizarre explosives are not foolish, cowardly or unworldly. They see a serious, real problem."

The question is only to what extent, military officers especially have the freedom to publicly express a point of view on this fundamental question which differs from the government policy followed. The cabinet, according to Doctoral Candidate De Geus in his letter, "has been carrying out a security policy for years which is based on a parliamentary majority. Thus a policy developed democratically, even if nuclear weapons have a place in it, ought to be carried out faithfully." If "conscientious objectors" do not accept this democratic rule of the game, then a real danger exists of our army becoming a political factor in our legal system. Therefore Doctoral Candidate De Geus has expressly emphasized more than once in his circular letters the principle of the political neutrality of the armed forces which prevailed in various successive governments. This means in practice, according to the minister, that the military man, in the exercise of his basic rights, may not compromise loyalty "to the organization and the people who work in it."

The previous Minister of Defense Scholten, indicated in 1979 the dividing line of how far a military man may go. In answer to the questions of the GPV [Reformed Political Union] member of parliament, Verbrugh, about public statements of the KMA commandant at the time, Von Mayenfeldt, the former minister explicitly confirmed the right of the military to free expression of opinion. However, the smooth operation of the military forces must not be harmed by the exercise

of this right. This principle did not apply for Von Mayenfeldt because he was not directly responsible for the nuclear weapons policy section. Military men who are certainly directly responsible in 1980 and who have conscientious objections, will have to accept the consequences, in view of the democratic rules of the game.

De Geus Has Increased Unrest

Amsterdam ELSEVIERS MAGAZINE in Dutch 1 Nov 80 p 15

[Text] L. van Anholt says "Minister of Defense De Geus definitely expressed a political point of view in his letter." Van Anholt is president of the independent professional organization, Our Interest, The Royal Association of Non-Commissioned Officers (8,000 members). The minister would have spared himself a lot of trouble, according to Van Anholt, if he had thoroughly consulted the military interest organizations involved before writing the letter: "For defense personnel policy is involved. Now the minister has definitely increased unrest in the army. Military men will keep their mouth shut in the future, if it is a question of nuclear armament. I know they are already doing it now. Besides, the choice which De Geus offers conscientious objectors, if not retirement from active service, offers no alternative. With that you create all kinds of martyrs and nobody needs that."

The president of Our Interest says that Doctoral Candidate De Geus should have given an indication in his letter of the moral and material support of "conscientious objectors" in the military: "It is a serious matter if one retires for the sake of one's peace of mind."

Regarding the minister's remark that "not being generally capable of being put into action" has results for the military man's career, Van Anholt says "that this problem only appears when the military man involved actually is considered for promotion. You cannot say in advance that someone is not being considered for promotion. Moreover, it is a question whether the discussion about conscientious objection, because of the use of nuclear weapons, is really reasonable. NATO's deterrence theory exists precisely to prevent war."

According to Van Anholt, the minister rightly declares that there is no place in the military forces for two types of personnel. "The dividing line between combatants and noncombatants is blurred depending on the military crisis situation. In World War II even the cook operated the antitank gun in case of necessity. Besides: formerly one armed the crew, now the armament is manned."

LISBON INTERNATIONAL ALTERNATE ENERGY CONFERENCE

Overview of Conference Themes

Lisbon EXPRESSO REVISTA in Portuguese 15 Nov 80 pp 161-172

[Article by Vitor Dimas: "Decrease Dependency on Petroleum and Increase Alternate Energy Sources"]

[Text] The International Chamber of Commerce held an international conference in Lisbon last week [2-5 November] on the problems arising in the industrial area because of world supplies and management of energy resources. For 4 days in the Portuguese capital, 250 members of the congress from more than 30 countries discussed the most pressing questions having to do with the heavy energy dependence on petroleum noted in industrialized or developing countries or with the search for alternate means in conventional as well as new forms of usable energy.

The conclusions of the four days of work in the form of a number of recommendations to industrial sectors and appeals to governments and international organizations were presented at the closing session at which Portuguese Minister of Industry Alvaro Barreto spoke to explain the situation of our country within the context of the general topic of the conference: "Energy, a Challenge to industry." The consensus is that all should redouble their efforts to insure a regular and stable supply of energy sources through policies which recognize the value of the world market as a regulating instrument for energy supply and demand, and in the search for energy and its best utilization under conditions of acceptable prices.

The role of governments in that context must be that of complementing and not supplanting the mechanisms of the market, insuring, in turn, rules which will effect a balance with respect to energy, economic and ecological objectives.

A more intensive and close cooperation among those mainly responsible for energy policies and between industrial sectors and governments, as well as the recognition that an improvement in the dialog among all affected parties could lead to the acceptance of the fact that energy is also necessary for the growth and development of the Third World, was established as being indispensable. Contributing with policies, actions and incentives needed for the solution of the problems of developing countries, those responsible will contribute to the attainment of objectives defined during the work of the congress: harmonious growth and social peace in the world.

An energy commission created in the International Chamber of Commerce during the conference and which will begin to function next year, is going to try to give continuity to the analysis of problems posed during the Lisbon meeting.

Energy and Economic Growth

One of the principal topics presented to those attending the conference was that of the relationships between energy growth and economic growth, presented by Professor Hendrik Houthakker of Harvard University. Dealing with the subject from the microeconomic point of view of the main energy sources and their incidence in the countries of the OECD, the U.S. professor said that petroleum imports from OPEC countries have shown declining tendencies although without great visible effects in the balancing of the balance of payments. However, the rise in prices registered in 1973 and 1979 during the so-called "petroleum crises" would have caused fewer upheavals "if all the importing countries had shown themselves willing to accept their part of the current deficits derived from them." As an obvious conclusion, Professor Houthakker emphasized: "All countries should consider not only their individual situation but also that of the world around us."

Substitute Energy

Another topic of great interest in the conference had to do with the so-called substitute energy sources and their possibilities and limitations. Presented by Professor Tor Ragnar Gertholm of Stockholm, the report deals with the estimates which point to the impossibility of the costs of hydrocarbons rising more than two to three percent per year up to 1990 and from three to four percent per year up to the year 2000. On the other hand, he cited the consensus existing among economists, according to which increases in the costs of energy cannot exceed three percent per year in the future and said that production of petroleum and natural gas will reach its peak around 1990 but will certainly not exceed 60 million barrels of petroleum per day, which points to a decline in the importance of hydrocarbons as the limited resource that they are despite the fact that they are now the spinal cord of the world supply system. Therefore, around the year 2020, hydrocarbons should represent only 15 percent of energy fuels, the other 85 percent being from other sources such as coal, nuclear power and new forms such as fusion, geothermal and solar energy.

After analyzing these alternate sources and the mechanisms required for them to replace traditional sources, Professor Tor Gerholm says that the perspective from which the problem is viewed should be an appeal to good sense because the decline in petroleum production due to the war between Iran and Iraq, together with the policy of voluntary production decreases undertaken by other countries, will cause a change in the forecasts of the 1978 World Energy Conference Commission and he points to a report on energy prospects up to the year 2020 which already recommended more intensive petroleum research and prospecting but also the search for new sources of supply.

Energy Savings

H.L. Schmid of Switzerland said that the possibilities and limitations of energy savings are determined by investments in the industrial sector but their main economic implication is at the government level in the sense that prices should reflect the real costs of energy. It is up to responsible officials to determine energy saving policy by methods which range from informing and educating the consumer, to actions to help the user "to help himself."

The long-term energy saving strategy in industrialized countries should have the reduction of the dependence on petroleum as a priority, says Dr Schmid. The effect of measures which tend to decrease demand is completely different than that of those which have the objective of promoting savings through the more rational use of energy. The former can have very serious negative effects on economic and social plans, while the others, rather than tending to strangle economic growth, substantiate the condition necessary for the economic and social development of all countries. "There will be no hope of resolving problems as long as countries devote themselves to fighting against the symptoms instead of fighting against the real causes of the problem," declared that Swiss expert at the Limon conference.

Portugal: Uranium Again

On the other hand, Minister of Industry Alvaro Barreto, speaking at the closing session of the conference, outlined the situation of Portugal in the field of energy. He said specifically that our known, usable resources are relatively small and that even coal reserves are poor in quantitative as well as qualitative terms. Our primary energy needs are only satisfied 13 percent by domestic resources (with a dependence of 83 percent on imported petroleum and 4 percent on imported coal). That dependence on foreign sources, which translated into a cost of one percent of our Gross Domestic Production in 1973, became 10 percent of the Gross Domestic Product today.

However, said Alvaro Barreto, Portugal has 10,000 tons of uranium ore and reserves which can multiply that amount from two to 10 times according to the results of a recent prospecting program. However, it was not possible up to now for various reasons to make the political decision, which becomes more and more urgent, on the use of nuclear power in Portugal.

Our per capita consumption of energy is only the equivalent of one ton of petroleum per year, a quantity at least three times smaller than the average in the partner countries of the EEC, which we would like to join. A foreseeable approximation to the aforementioned quantity by Portugal should only become possible around the end of the century, said Alvaro Barreto.

On the other hand, a long-range energy plan is about to be discussed by responsible officials with the main objective of insuring the supply of energy necessary for the economic and social development of the country under the best conditions of reliability, quality and price. Three basic points are going to be considered as priorities for that objective and Alvaro Barreto defined them:

reduce our dependence on foreign sources progressively, primarily petroleum imports; insure the reliability of foreign supplies, diversifying their sources and types; increase the use of exploitable national resources and implement the proper technology for the exploitation of those which have shown themselves to be promising.

In the area of consumption, the objective is to rationalize the use of all forms of energy in all its applications, making consumption more efficient, and as a result, reducing useless expenses and waste.

Industrial Energy Demand, Costs

Oporto O PRIMEIRO DE JANEIRO in Portuguese 4 Nov 80 p 7

[Text] Relationships between energy and economic growth and the possibilities of energy savings as a strategy are subjects being discussed at the International Chamber of Commerce Conference taking place in Lisbon.

The conference, held under the general topic of "Energy, a Challenge to Industry," began Sunday and will last until tomorrow.

The relationships between the growth of energy supplies and economic growth in the period which preceded and followed immediately after the 1973/1974 petroleum boycott is one of the great areas with which yesterday's session of the conference began.

The other areas of subjects to be discussed are government regulations on the price of energy and the measures which industrialists should discuss with their own governments in order to attenuate the pressures on growth caused by variations in energy supplies and by the increase in the prices of petroleum imports.

In the area of energy saving, the ways the market forces may bring about a more or less efficient use of energy, the most suitable energy measures for the industrial sector, and the implantation of joint government and industry energy saving programs will be discussed.

Marcel Boiteaux Presentation

Oporto O PRIMEIRO DE JANEIRO in Portuguese 3 Nov 80 p 9

[Text] "Traditional energy sources should be replaced quickly," declared Marcel Boiteux, president of Electricite de France, speaking at the opening session of the International Chamber of Commerce Conference on the subject "Energy, a Challenge to Industry."

Marcel Boiteux began by painting a pessimistic picture of the future of energy sources existing worldwide, emphasizing that in the year 2020 consumption will triple by comparison with that of today.

"Nuclear programs of western countries have been considerably reduced for some years already, and by the way things are going, this type of energy will only contribute a third of what was expected from it at the end of the century," declared Marcel Boiteux. He continued: "Coal is the only alternate source on which heavy bets can be made today. Experts foresee a tripling of its use in the next 20 years and a quintuplication of international commerce in solid fuels. Therefore, the effort to be made in infrastructures in mines, ports and means of transportation is greater. As far as consumers are concerned, the return to conversion to coal of their installations encounters serious difficulties. The truth is that with the exception of electric powerplants, coal consumption has declined continuously since 1973. Today, producers wait for coal consumers to guarantee them an outlet for their coal. On the other hand, consumers expect that supply guarantees be given. And nothing, or almost nothing, is being done."

In another part of his talk, Marcel Boiteux emphasized: "As far as petroleum is concerned, investors hesitate to place their capital in areas considered--with or without good reason--politically insecure. Eighty percent of the prospecting effort is put into play in only 15 percent of the energy resource, and proven reserves will increase from now on to more than the amounts extracted. The OPEC countries, in turn, announced their designs as being those strictly necessary for financing their economic development, whose rate must take into account the periods of sociocultural adaptation required for the population, which up to now has been spared the grandeur and bondage of opulence."

Further on he said: "Substitution was easier (mixed electric powerplants) [presumably coal and/or oil fueled] and in those where it was most economical (cement industry). For these sectors, substitution was long and difficult because it requires much space, means of maintenance and capital. Many experts believe that only the shift to electricity can resolve the problem, whether that electricity be produced by uranium or by coal."

He also pointed out that "after the era of petroleum abundance, which characterized a period of economic growth outstanding because of its rate or regularity, the moment arrived for humanity to choose a new type of energy. The transition will be difficult and require time and determination."

Boiteux Presentation: Further Details

Lisbon O DIA in Portuguese 3 Nov 80 p 27

[Text] "After an era of petroleum abundance, which characterized a period of economic growth outstanding because of its rate or regularity, the moment arrived for humanity to choose a new type of energy," declared the president of Electricite de France at the Hotel Ritz yesterday afternoon, speaking at the opening session of the International Chamber of Commerce annual conference.

Under the theme "Energy, a Challenge to Industry," the conference, which ends the day after tomorrow, has the final objective of making a study of a possible common position of world industry to be defined and proposed by a permanent commission, which will begin its work as of 10 December in Paris. This

commission will have the task of "effectively explaining" the point of view of the economic sectors to the governments and international organizations.

"What would be possible in a world of peace and solidarity in which all resources would be marshalled for the common good, is not possible in a divided and uncertain world," said the president of Electricite de France.

Marcel Boiteux, delegate to the World Energy Conference, said that "unless there is a world catastrophe," overall energy supplies in the entire world indicate they will more than triple by the year 2020, which is "a priori inconceivable," taking the present world political situation into account.

"Since it is a scarce resource of localized origins, petroleum lends itself to being used as an instrument of various policies for other than economic objectives," the chairman of the Portuguese delegation of the International Chamber of Commerce said shortly before.

Sergio Teixeira de Queiroz called attention to the fact that Portugal cannot remain aloof from the discussions on energy matters and to the role that private enterprise has "in the process of guiding society." He declared: "Our bill for petroleum will come close to \$2 billion."

Alternates

Marcel Boiteux believes that even if overall energy consumption and supply were to be balanced, it would not resolve the crisis which threatens us and for that reason "traditional petroleum must be substituted for quickly."

The president of Electricite de France spoke of the degree of development of alternate energy sources, saying that coal is the one "on which heavy bets can be made today." However, the economic effort it implies is "very considerable," there being, on the other hand, the need to encourage its use by consumers once more.

Acknowledging, however, that some of the actions to be taken raise "obvious political problems," Marcel Boiteux said that one of the solutions to the crisis will be the resurgence of large-scale nuclear powerplant construction at the same time that there is control in each country of the unbridled increase in energy.

That French expert also advocated the application of a great research effort to other sources even if they are considered relatively modest since "the pressure of needs should not make us forget a more distant future."

Houthakker, Schmid Comment

Lisbon O DIA in Portuguese 4 Nov 80 p 28

[Excerpts] Government and industry have devoted enough attention up to now to saving energy, it was emphasized yesterday by the International Chamber of Commerce Conference taking place in Lisbon. Relationships between energy growth and economic growth, the possibilities of energy savings as a strategy, and alternate energy sources were the subjects discussed in the sessions of the conference on the theme "Energy, a Challenge to Industry."

In turn, Hendrik Houthakker, former member of the group of economic advisers to the U.S. President pointed out that prices played the main role in changing growth plans at the end of the decade of the 70's. Houthakker believes that the rise in prices of petroleum in 1973 and 1979 would have caused fewer upheavals if the importing countries had shown themselves more willing to accept their part in current deficits resulting from them. In his opinion, the rise in prices contributed to making energy sources available and to "making other sources competitive."

Speaking on the possibilities and limitations of energy savings as strategies, Hans Schmid of the Swiss Federal "Bureau" of Energy emphasized the need to establish a long-range policy instead of taking emergency measures. According to this specialist, strategy should be characterized by the rational use of energy through policies which encourage investments in economy measures, through the reduction in permanent consumption and through a joint effort by industry and the government to define long-range interests.

Gerholm Comments

Lisbon DIARIO DE NOTICIAS in Portuguese 4 Nov 80 p 3

[Text] "Coal and nuclear power are the only alternatives to petroleum and natural gas in the next 40 or 50 years," declared Swedish Professor Tor Ragnar Gerholm yesterday. A professor at the University of Stockholm, he spoke on the first day of work of the annual International Chamber of Commerce Conference taking place in Lisbon and to which the president of the republic sent a message.

Responsible for the preliminary report of the session devoted to alternate energy sources, in which Professor Veiga Simao also participated, the Swedish specialist outlined a general picture of the development of the consumption of various types of energy and he reached the conclusion that only coal and nuclear power are in a condition to be a substitute for traditional energy sources up to the year 2020. He also said: "Nuclear power is the only energy source which can be called upon to compensate for the gradual exhaustion of petroleum and natural gas," since, he said, coal will only be able to maintain the present 25 percent of the market.

According to him, hydrocarbons (among which are petroleum and gas), which now represent nearly 70 percent of the world energy market, should have their share reduced to less than 30 percent in the year 2020. Petroleum by itself will decrease from 50 percent to 15 percent in the next 40 years. Conversely, coal, nuclear power and new energy sources (geothermal, solar and fusion) should represent nearly 85 percent of the world's primary energy production in 2020.

All this poses, according to Professor Gerholm, two crucial questions: Will the increase in prices foreseen (two or three percent per year in real terms) enough to cause the evolution foreseen for petroleum and natural gas and to encourage a postponement in the use of substitutes for hydrocarbons? And if we do not manage to resolve the problem with coal and nuclear power, will we really be in a position to replace hydrocarbons with new supplies of geothermal, solar, or fusion energy?

Oppenheimer, Landsberg Comment

Oporto O PRIMEIRO DE JANEIRO in Portuguese 5 Nov 80 p 5

[Text] Today, the minister of industry and energy will close the International Chamber of Commerce Conference on the subject "Energy, a Challenge to Industry," which for 4 days has been taking place in a hotel in the capital with the participation of 250 scientists, economists and technicians from several countries.

Alvaro Barreto will speak after approval of the various conclusions and an appeal to governments and international organizations, it was learned, by PRIMEIRO DE JANEIRO from sources linked to the organization of the meeting. Before the minister speaks, the president of the International Chamber of Commerce, Reay Geddes, will say some words of farewell. Elsewhere, beginning January next year, a commission against maritime fraud will begin to function in London.

The financial implications of the energy problem were discussed in the conference on the basis of a report by Peter Oppenheimer, member of the Church of Christ of Oxford University. Oppenheimer examined the surpluses in current payments of the OPEC countries in a detailed paper, as well as the corresponding deficits and indebtedness of the petroleum importing countries.

In addition to being relevant, he emphasized that from 6 years ago to now the surplus accumulated in the balances of current accounts of the OPEC countries is estimated by the OECD at \$340 billion. In 1974 that surplus was \$60 billion. Twelve months later it declined. Between 1975 and 1977 it went down to nearly \$30 billion and it almost disappeared in 1978, with a figure of \$5 billion.

However, added Peter Oppenheimer, the great increases in prices in 1979 made it climb once more from \$65 billion to \$70 billion and from \$100 billion to \$120 billion in 1980. In terms of the relationship with the Gross National Product of the petroleum consumers, the cost this year is not much different than that of 1974.

The high price and scarcity of fossil energy in developed countries will affect various agricultural subsectors with varying degrees of severity, admitted English Professor W.F. Maunder, when he emphasized that in some areas the real cost of fuel will have to increase considerably. That is the reason that many agricultural sectors of the United Kingdom are preparing to make a conscious effort to save fuel. He notes that the use of fossil fuels in agriculture in developing countries is low and that in the developing world the scope of the problem requires that the supply of energy sources must be based on the needs of the agricultural community so as to overcome the problems of distribution and prevent a rural emigration en masse.

That was the opinion of W.F. Maunder, and it is in this same sense, although with respect to other sectors, that Jurgen Lange expresses his opinion. He is vice president of Harbridge House Europe of the FRC and he foresees the transportation sector as being dependent on petroleum until the end of the century, a fact which becomes more important because it is true that transportation is of particular importance in foreseeing overall costs of fuel. It is enough to note our explanatory example: Transportation alone consumes 33 percent of all energy used in the United States and the average is 25 percent in other countries of the OECD.

When markets do not function, the most important policy would be to allow energy prices to reflect all energy costs, which ideally would be marginal social costs, said Hans Landsberg, a highly placed official in Washington (expert of the Energy Policy Research Center).

Such a price policy when markets do not function does not spare the consumers. The adaptation of the latter to higher figures is hindered by officials who are experienced in the use of energy under systems which date from the time of cheap energy, that is, before 1973/74, and by some institutional agreements, according to Hans Landsberg.

To overcome the barrier of the aforementioned officials experienced in the use of energy under conditions which at present prices appear insufficient, ruinous in fact, requires substantial spending of capital and the conviction that energy prices will remain high and will rise. Whenever society, says the chemist from the U.S. Institute, considers the consequences of high energy consumption, particularly significant imports from politically unstable areas, as a threat, there exist justifications for an intervention by the government to help and accelerate the process of adaptation. It involves two dangers: that of speeding up the rate of inflation, and the differential impact of higher prices on the various types of yields, regions, industrial sectors and others.

Portuguese President's Statement

Lisbon DIARIO DE NOTICIAS in Portuguese 11 Nov 80 p 3

[Text] The president of the republic sent a message to the participants in the annual International Chamber of Commerce Conference in which he says that "It will be a catastrophe for Portugal if it does not manage to insure reasonable economic growth rates because of an energy shortage."

Gen Ramalho Eanes said in the message read by the chief of his Civilian Household, Fernando Reino: "A new world balance can only be reached through the sharing with all countries of the results of research undertaken by the industrialized countries in the field of energy."

The International Chamber of Commerce Conference was described by Eanes as being "of great interest because of the contribution which may come from it for collaboration between governments and industries in the establishment of an international strategy on energy."

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CSO: 3101

SPECIAL SURVEY OF SOLAR ENERGY PUBLISHED

Athens BUSINESS & FINANCE in English 13 Dec 80 pp 4-8

[Text]

CONTINUOUS industrial development has immensely increased the world's energy needs. As oil prices have risen steadily since 1973, and the economies of many countries have been seriously threatened, technology has necessarily advanced in the "know-how" of exploitation of other energy forms, mainly to the inexhaustible energy resources such as solar and wind energy, geothermal energy, etc. It is estimated that since 1980, the industrially developed countries have increased their energy consumption by about 6% annually, and the developing countries even more.

Scientists claim that with full 100% exploitation of the existing deposits (present exploitation is at about 60%), and with the annual increase in energy consumption limited to 5%, these deposits will last until 2056.

- If we believe, that there will be no further increase in consumption levels, then the deposits will last until the year 3000.

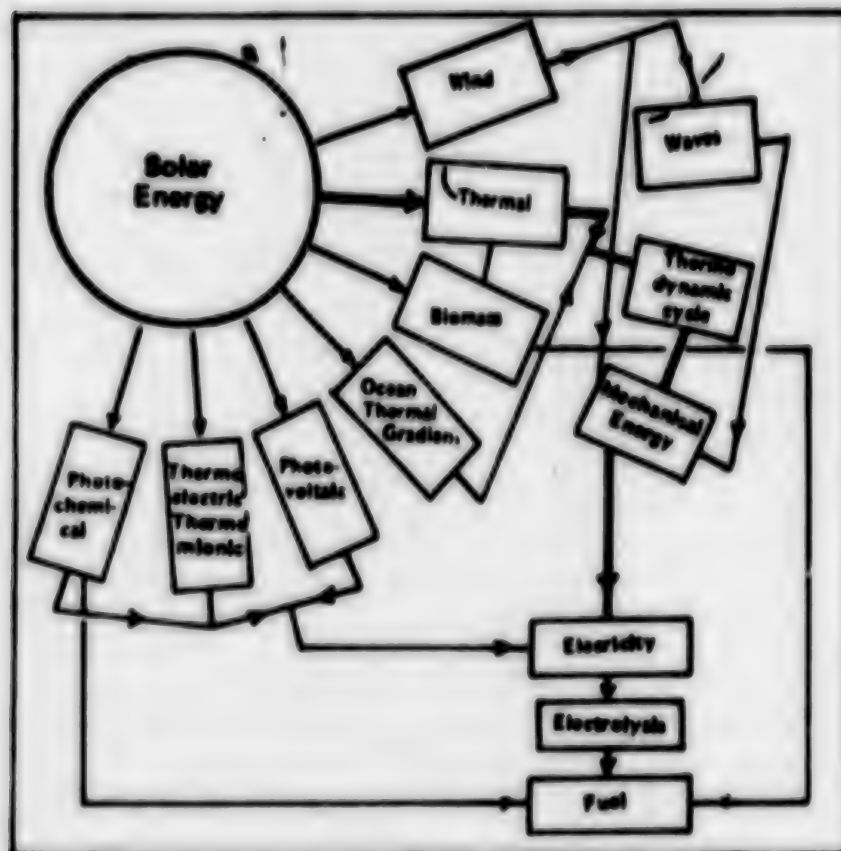
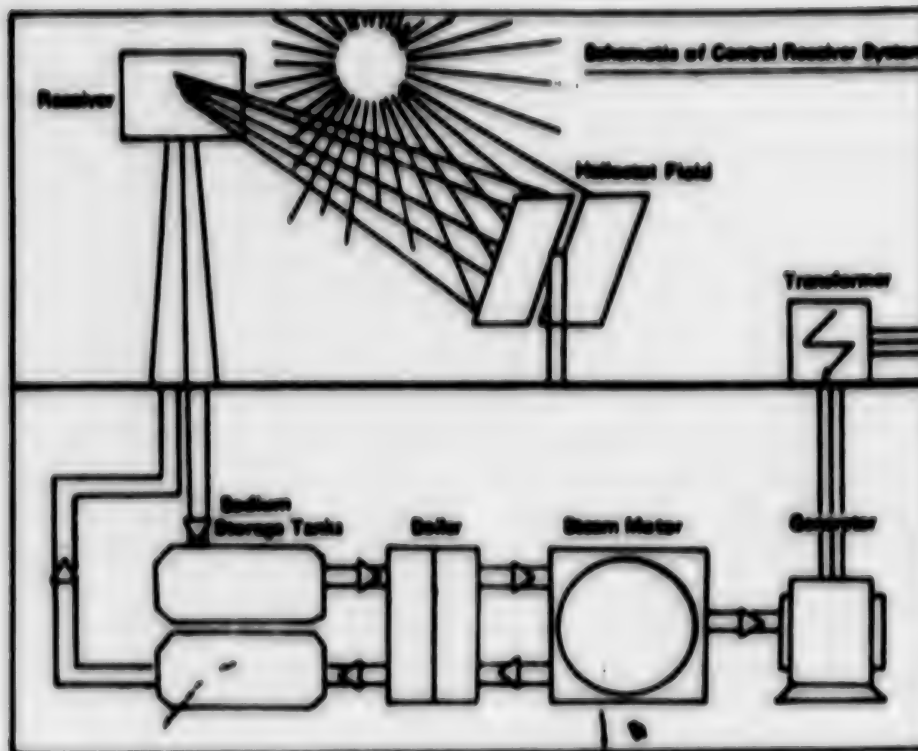
- If the earth's population increases at an annual rate of 2%, and energy consumption levels do not increase, then supplies will last until 2130.

- If the earth's population increases at an annual rate of 2%, and we assume that the developing countries will, by 2025 be approaching the consumption levels of today of the industrial countries, then supplies will last until 2099.

So it is quite clear that even if oil prices had not reached the threatening levels that they have done today, the world would have been obliged in any case to search for alternative sources of energy.

Nuclear energy is one form of energy which is expected to be developed considerably in the future. But because of its inexhaustibility, solar energy would appear to be an ideal primary energy source, and therefore one of the long-term energy options. Solar radiation has sufficient thermodynamic qualities to produce heat, electricity, and synthetic fuels. The simple reason why it has not yet been substantially developed, is the fact that it does not encourage speculation, and does not support the dependence of the poor countries on the big ones.

Scientists claim that if the developed countries would only spend 1% of their budget for nuclear power on the development of solar energy, then the energy problem would have been solved. The sun gives the earth a vast amount of energy - 4,000 Q annually. Of this, 1,000 Q are reflected to the outer layers of the atmosphere, and the other 3,000 Q to the creation of the earth's climate. It is interesting to note that all the energy reserves on our planet contain an amount of energy equivalent to that which the earth receives from the sun in only 45 days. (Q = the energy equivalent of 25,000 million tons of oil).



Principal ways of solar energy utilisation

Known deposits of fuel today

Coal = 200 Q
Oil shales = 25Q
Oil = 12Q
Natural gases = 12Q
Coal tar pitch = 7Q

The two main advantages for the exploitation of solar energy are:

- It has no cost
- It does not cause pollution.

However, there are some limitations:

- Not all places on the earth's surface receive the same amount of radiation, and for a given geographical place, the amount of radiation received changes, depending on the time of day and the season of the year. Also, it is influenced by various meteorological phenomena. Although the conversion of solar energy has already been demonstrated, the development of solar power systems suitable for everyday and commercial applications is still at an early stage.

SOLAR ENERGY WILL CONTRIBUTE 2% OF TOTAL ENERGY NEEDS BY 1985

SOLAR energy is particularly well-suited to Greece for two reasons. First, it has about 3,000 hours of sunshine a year (compared to 1,200 in Central Europe) (see Table 2) and the population is quite scattered, particularly on the 134 Greek islands, which contain 3 million people. Solar generator plants are becoming cost effective for isolated communities that do not have grid-applied electricity.

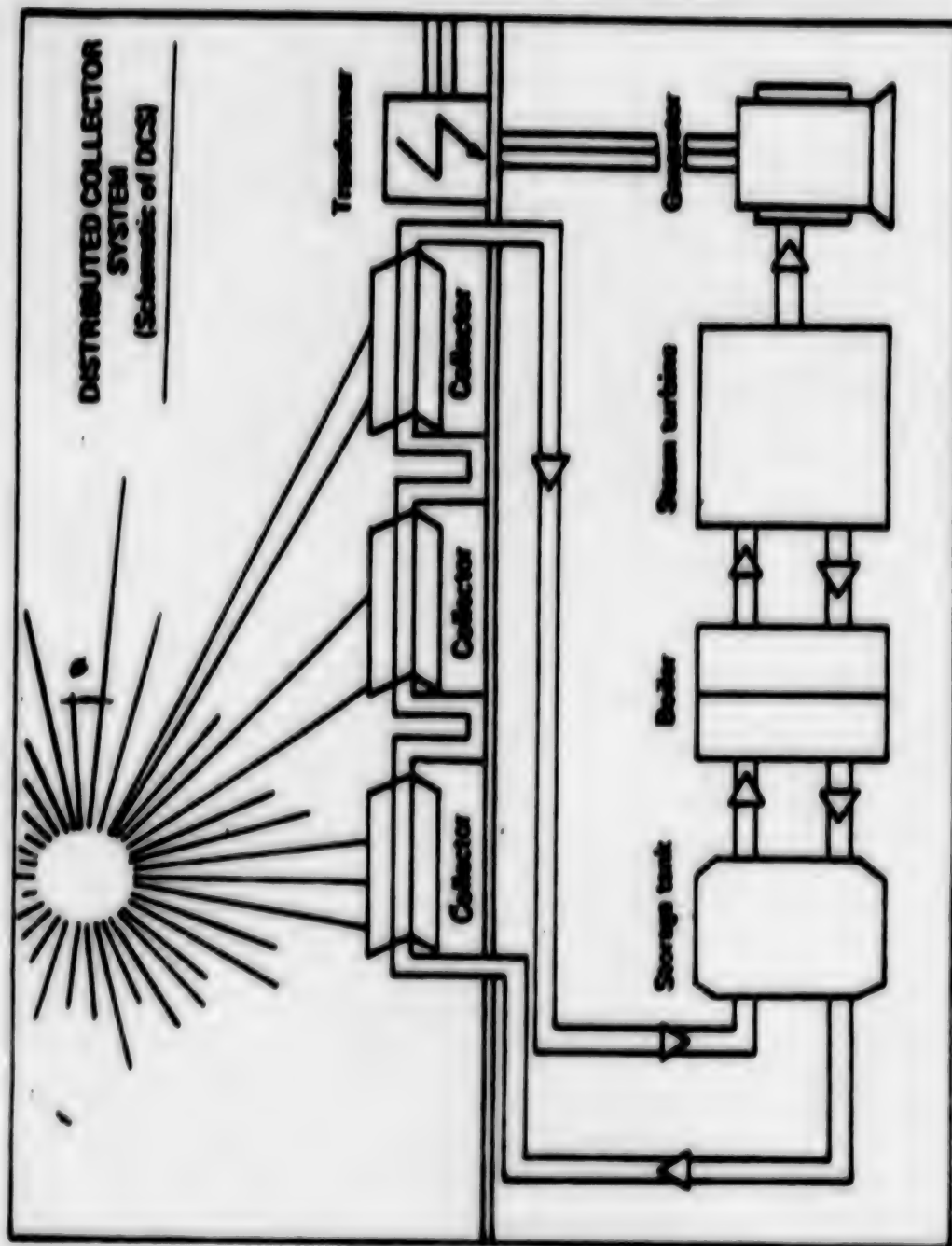
The amount of the sun's radiation which falls on a horizontal surface in the Athens area reaches 800 w/m^2 , and on a vertical surface reaches $1,100 \text{ w/m}^2$. According to estimates 1 m^2 of solar collectors in Greece is able to provide in a year a thermic energy equivalent to 800 kwh. It is possible to cover at least a part of Greece's total

energy needs through the exploitation of solar energy.

It is expected that in five years time, solar energy will contribute 2% to total energy needs. That means that by 1985, Greece will use the equivalent of 242 million tons of oil, and solar energy will contribute the equivalent of 0.48 million tons. Until the present day, economically profitable exploitation of solar energy has been successful only in the sector of prolonging low temperature heat (less than 100°C) mainly for the heating of water for domestic use or in hotels. It is expected that the next step will be the use of solar energy for the heating and cooling of living space, a sector in which research has advanced internationally, and in which the main technological problems have been solved.

Today, despite the potential for solar energy in Greece, the commercial market is almost exclusively for solar water heaters. Throughout the country, about 40,000 water heating units have been installed. Although the number may not be very high, it still provides a contribution to the foreign exchange situation. Every solar water heater gives about 2,000 kwh annually. Estimating that 1 kwh costs at least 3 drachmas, that means an annual profit of 240 million drachmas. If in a decade, solar water heaters could be installed in 80% of the homes in Greece (about 1,200,000 houses) then 2,400,000,000 kwh would be saved, at a cost of 7,200,000,000 drachmas, or 170 million dollars annually. So it is quite clear that the expansion of the use of solar water heaters is a major step in the saving of energy.

For this reason, some government incentives have been undertaken. For example, the government grants income tax allowances on the installation of solar systems. Individuals may deduct 30,000 drachmas (\$706) from their gross income, or 10% of their real taxable income, whichever is smaller. Banks have also been instructed to grant loans for domestic installations, at the commercial rate which now stands at 18%. The situation is even better for



commercial users who are granted cheap commercial loans for 35% of the installation costs.

The future outlook

For the further exploitation of solar energy, many pioneering studies and initiatives have been undertaken by the National Energy Council, and various scientific agencies, in universities and research centres, etc. These studies cover a wide range of solar energy applications, such as heating and cooling, the production of electricity, greenhouses, etc. It can be said that Greece stands among the leading countries in Europe in the field of the application of solar energy. The majority of these studies and initiatives, which have been financed by the governments of the USA, West Germany, Italy and Greece, hold considerable interest not only for Greece but also for Europe and the rest of the world.

Largest housing scheme

The government is already involved in a housing scheme (incorporating both active and passive solar features) which is said to be the largest such scheme in the world. The venture, known as "Solar Village Three" is a workers' housing development in the Athens suburb of Lykovrissi, containing accommodation for 2,000 people in 312 two-bedroomed flats with a floor area of 80m², and 188 three-bedroomed flats of a floor area of 100m². The village will incorporate communal buildings and include a school, a library and information centre.

The object is to combine solar systems with conventional heating equipment, and test energy devices to maximise the use of expensive oil. The designs, undertaken by Interatom of Germany, and a Greek consortium known as Group G, incorporate passive features to boost direct solar gains by 35%. Electricity will be supplied through the use of diesel generators whose waste heat will be harnessed by heat pumps and solar absorbers to provide underfloor heating up to 75°C. All

domestic hot water up to 45°C will be provided by solar collectors. It is estimated that each building will require up to 110m² of solar collectors, to cover 60% of the demand for hot water.

Initial study and design work has been completed at a cost of \$2.8 million, 90% of which has been provided by the German government. Construction is scheduled to begin in 1981, and will take about 2 years. The total cost will be \$50.6 million, of which \$36.5 million will come from Greek sources, and the other \$14.0 million from German funds.

Solar Villages One and Two

Greece has two other solar housing schemes - Solar Villages One and Two. SV Two is a small project in Aghios Nicolaos, Crete, to provide solar hot water and heating for 50 dwellings, but SV One is a more ambitious project.

It involves the regeneration of a whole district on the southern coast of Crete, using solar and other energy sources. The area, Francocastello, lies on a 84 km² plain, in the district of Sfakia, and includes nine communities of 804 inhabitants, whose occupations of subsistence farming, is hampered by water shortages. An agreement was signed in January 1977 between the Greek National Energy Council (NEC) and the US Energy Research and Development Agency (ERDA). Under the agreement, a detailed study was prepared by the Environmental Design Company of Greece.

It showed water at depths of 250m, and proposed various methods of development. Solar and other alternative forms of energy are incorporated in each proposal, such as photovoltaically-powered pumps to lift water for irrigation, solar thermocouples in greenhouses, solar water heating and heating in new homes, biojets to help generate electricity, and wind generators for power production are included in the schemes.

Power schemes

The production of electricity from the sun can be successful in two ways:

- through the immediate use of photovoltaic elements, and

- through the use of a thermal cycle.

The first concerns relatively small installations, and simple construction.

The second requires bigger installations, and more complicated construction.

The possibilities of energy storing with solar energy batteries can be foreseen in the first case, and with heating tanks in the second.

In Greece, solar power stations will be created with the financing of the EC funds and with the co-operation of West Germany and France, on the basis of photovoltaic conversion. The first power station, with a photovoltaic power of 50kw will be built in Aghia Poulia, on the island of Crete. The plant will cover all the energy needs of the population of the village. The aim of the project is to demonstrate photovoltaics as an alternative that is available today for the generation of power for a remote and lonely community.

Today, those energy needs are covered only seasonally by means of 7

diesel generators of between 7 and 10 kva. Efforts to include the village on the island's electricity grid have been unsuccessful because the Public Power Corporation is not allowed to pass a 15 km cable through the Samaria Forest, an area which is a National Park of exceptional natural beauty.

The other project is a 100kw photovoltaic power generating unit for the island of Kythnos, to operate along the existing grid and wind energy systems, of 80kw nominal power. The aim is to prove the technical and economic feasibility of the parallel operations of these systems, and to optimise the quality and quantity of energy so generated.

Cost per installed watt

The EC has determined 14 European Units (ECU) per each installed watt. Although the price is considered high, scientists expect that it will soon be lowered. For the present, economic plans can be successful only where they are for small installations to be applied in the sector of telecommunications, radio, television, radio transmissions, the pumping of water, remote dwellings, and agriculture.

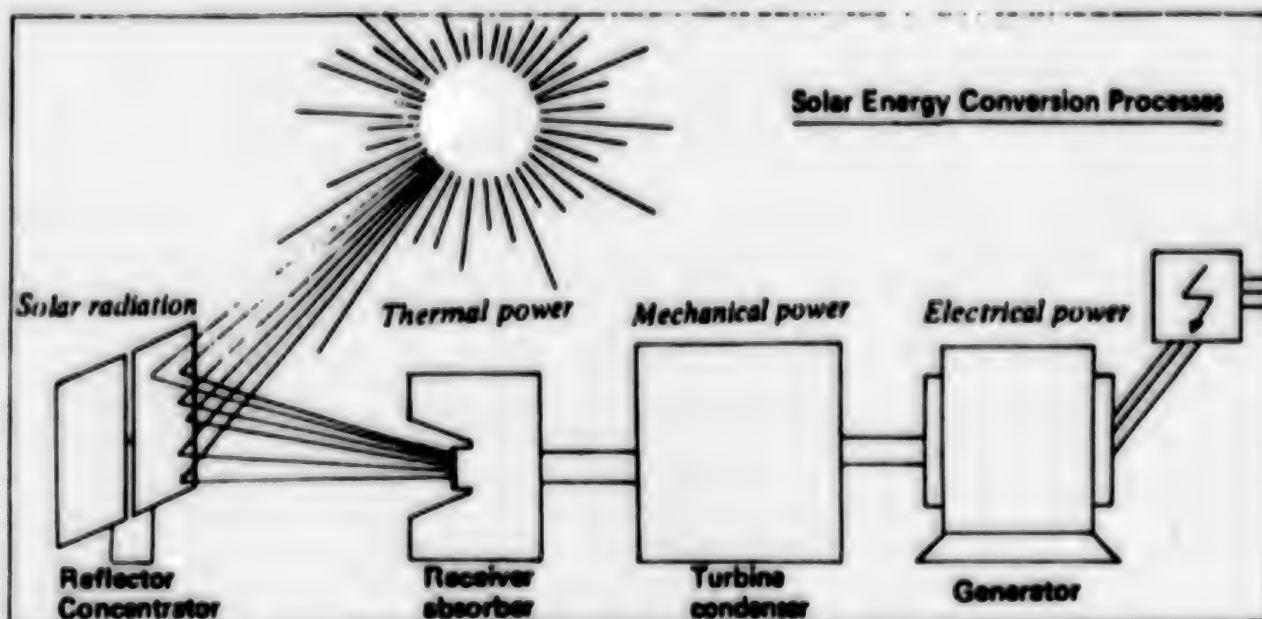


Table 2: Meteorological data taken at the National Observatory of Athens

Month	Solar insolation* Kcal/hr ² day	Mean ambient temperature °C	Wind** m/sec	Average daily hours of sunshine	Sunshine hours per month	Cloudiness tenths monthly
January	1640	8.0	3.9	4.3	12.4	8.2
February	2400	9.5	4.1	5.5	138.2	8.0
March	3300	11.5	3.7	5.8	185.4	5.4
April	4580	15.2	3.2	8.0	233.3	4.7
May	5330	19.7	3.0	10.1	263.7	4.4
June	5880	24.1	3.1	11.5	307.3	2.9
July	5970	27.2	3.9	12.6	360.7	1.3
August	5360	27.0	3.8	11.9	345.5	1.3
September	4170	23.4	3.4	9.2	275.2	2.3
October	2910	19.0	3.1	7.0	208.6	4.3
November	1970	14.8	3.5	5.8	143.2	5.8
December	1480	11.0	3.6	4.4	116.9	8.2

* Average daily solar radiation on horizontal surface

** Average monthly wind speed

IEA-SSPS project in Almeira, Spain

Nine of the twenty member-countries of the IEA (International Energy Agency) are participating in the SSPS (Small Solar Power Systems) project in Almeira. The cost of the detailed design, construction, testing, and two-year operation of the project is set at 79.5 million DM. The Greek National Energy Council of the Ministry of Coordination is participating in the project, and contributing 2.6% of the total cost.

The principal object of the SSPS project is therefore to examine in detail the possibilities of using solar radiation to generate electric power for possible application either in established grids or in communities whose geographical location renders the conventional electricity supply techniques difficult and costly.

CSO: 4920

SIMONET DENIES INVOLVEMENT IN WEAPONS DEAL

Brussels KNACK in Dutch 5 Nov 80 pp 18-19

[Text] Henri Simonet, ex-minister of foreign affairs, representative of the people, and mayor of Anderlecht, has a politically very turbulent time behind him. For since his socialist excellency moved to the government in the spring of 1977 with applause on all benches of the EC commission, a great deal has happened that has thoroughly dimmed the star of the then practically unapproachable minister of foreign affairs. His outspoken Atlantic policy, the intervention of Belgian troops in Shaba, and lastly his attitude on the rocket question quickly provided matter for conflict with the Flemish socialists, whose chairman his former cabinet colleague Karel van Miert had meanwhile become.

Not so long afterward Simonet, as leader of the Brussels PS [(French-speaking) Socialist Party], fell between two stools when André Cools suddenly and brazenly carried out the split between Walloon and Flemish socialists. Simonet definitely *did not* take Cools's side, but tried in vain with his *fédération* to steer between the waves; the PS in Brussels would remain open to Flemings and French-speakers, which was not the desire of either one. Moreover, last year Simonet fell out with his then minister of cooperation for development, Mark Eyskens, who reproached him with pursuing an "immoral" policy in connection with certain matters.

Later in this number [interview, pp 25-28], Simonet himself speaks out on some of these subjects. What is certain is that he quietly but surely fell overboard, and at the time of the formation of the Martens III government, with the Liberals, he made it known that he did not want to accept any ministerial portfolio. The impression was that, partly as a result of his conflict with chairman Cools, they did not care to offer him one, either.

Henri Simonet thus withdrew, presumably temporarily, to the city hall of Anderlecht, but did not disappear entirely from the news. For in the spring reports appeared in this paper and elsewhere that as minister of foreign affairs he had issued an export license for supply to Argentina of a pair of tanks Type BDX by the firm of Beherman-Demoen of Bornem, of which his wife was at that moment representative-director. That is now denied, and it is claimed that during the time that Mrs Simonet worked for Beherman-Demoen the firm got no licenses from the Ministry of Foreign Affairs. In short, a matter whose exact context is unusually hard to recover unless a special investigation is ordered.

However that may be, the weekly *POUR* - already known for State Security's microfiches-B at the time of the Graindorge trial and the VMO [Flemish Militant

Movement] training camps in the Ardennes, when an Antwerp examining magistrate felt it advisable to honor the paper with a house search instead of having an investigation at the place indicated by POUR of whether training exercises were actually being conducted--pounced upon the case and came out with a dossier which was called the "Simonet connection" in the paper, and in which it attempted on the basis of a few telexes and other information to establish a link between the wife who buys the weapons and the husband who as minister makes it possible for the weapons to be exported. If this all fits together, POUR concluded, "the Simonet couple is the most successful on the market of sanctimoniousness and death."

In the first instance POUR got a right to answer arranged, and it was published with the necessary commentary, whereupon yet another article followed promptly upon the summons before the court of first instance. Henri Simonet claimed that POUR had made an error, that as a result he had suffered damage, and that said damage must be made good. Simonet estimated the damage that he had suffered as a result of the material published in POUR at 1 million francs, and also asked that the court's decision be published in 10 different daily newspapers. This last request alone was probably sufficient to wring little POUR's neck for good. The question may then be asked what Simonet really wants. Does he want to be compensated for the chiefly moral damage that he suffered as a result of the publication, or does he simply want to ruin the paper in question, although--and that is true, too--there is a good deal to object to in the way POUR treats its subjects.

6 Months in Jail

Just as all politicians or persons who occupy a public post would have done in his case, Simonet also instituted a *civil* suit against POUR. He did not as such enter a complaint, which would have had to be investigated by an examining magistrate, and would have had to be followed by a referral by the council chamber to the correctional court or the Court of Assizes. For let us not forget that Belgium still has a whole battery of laws that regulate the exercise of the constitutionally guaranteed freedom of the press, and that press offenses--like political offenses--must, under Article 98 of the constitution, be decided by a Court of Assizes. In other words, not only by professional magistrates, but also by 12 citizens chosen by lot. The decree of the Provisional Government by which this principle was established was one of the very first to be issued by independent Belgium. It was soon followed by another decree in which the exercise of the previously established freedom of the press was regulated. What that came down to was that the young Belgian state made it known that it could tolerate an ample measure of criticism and investigation, as long as the press did not indulge in excesses of slander, defamation, and insult. The decree of 1831 was later supplemented in 1847 and especially in 1852, when the freedom of the press, under heavy French pressure, was greatly restricted. It was also in that period that the most trials for press offenses were conducted before the Court of Assizes. Later, and partly because of that, few journalists have ever appeared before a Court of Assizes because of specific passages in their writings. The best known was certainly the aged Edouard Anseele, who was condemned in 1886 to 6 months in prison after a fiery harangue in VOORUIT in which he had insulted the king.

But even at that time it had long been usual for press offenses to be given another name and dealt with before the civil courts as ordinary damage suits. That

practice was even confirmed in 1863 by the Court of Appeals, which held that a possible action by the judiciary authorities against a publication could not stand in the way of a damage claim before a civil law court. In any case resort to the Court of Assizes in this sort of cases has not been favored by the rather lengthy formalities, the fact that a Court of Assizes has always been regarded as largely a political tribunal, and the further fact that it was soon found that most press cases before the Court of Assizes ended in an acquittal.

It can thus be said without much doubt that the decree of 1831 was actually usable not much longer than one short decade. After that it was chiefly used to humor the French emperor Napoleon III. But nevertheless, it still exists--together with the supplementary laws--and the chance still exists that at a certain juncture the authorities will dig it up out of the drawer. That has happened since World War II in two cases--POURQUOI PAS? and LA VOIX DU PEUPLE--twice a publication was seized, after which the case was later dropped. It has thus been decades since a real trial has been held before the Court of Assizes.

Besides, the question may be raised whether that is even desirable. Whether it makes sense to fight out a case like that of Simonet vs. POUR, for example, before a jury. Article 4 of the decree of 1831 does still say that slandering and insulting public officials or members of duly constituted bodies in function are offenses against the press laws. Recent jurisprudence, however, is moving under American influence in a different direction, namely that high officials and politicians from the nature of their functions--and because in the public service they handle public monies--must have a greater authority to collect than private individuals. An argument that was successfully used by the defense, for example, in the case of Lams, administrator general of BLOSO [expansion unknown], against DE MORGEN.

It appears to be an open discussion, but one that must be carried on sooner or later. Does it make sense to keep a law that is nearly 150 years old and has never been used on the books solely by way of a symbol or as a club behind the door to be used in case a paper should some day really get out of hand? Would it not be better to recast the whole question in a new text adapted to the times, so as to put an end to the prevailing ambiguity? That is not so important, since the press in Belgium has always stayed very well within the limits staked out for it, but it could also save the magistracy some surprises, as not long ago in Louvain. Two weeks ago the founders of the seized free Radio Scorpio appeared before the council chamber there and the deputy prosecutor asked as a matter of course that the case be referred to the correctional court. The defense lawyer, however, replied that inasmuch as radio and television are generally assumed to be press media, and Radio Scorpio gives a great deal of attention to news and interpretation in its programming, this case would in fact have to be dealt with in the Court of Assizes. Perhaps he was pleading a lost cause, but the deputy prosecutor promptly got 2 weeks' time to look for an appropriate answer.

8815

CSO: 3105

SIMONET INTERVIEWED ON FOREIGN POLICY, WORLD SITUATION

Brussels KNACK in Dutch 5 Nov 80 pp 25-28

[Interview with Henri Simonet by Frans Verleyen and Johan Struye]

[Text] After Henri Simonet began his political career 16 years ago in the office of Spinoy, the socialist minister of economic affairs, his star rose steadily for years and then he lost everything. Now that as mayor of the former socialist citadel of Anderlecht he can no longer form a majority without the CVP [(Flemish) Social Christian Party], and now that his Brussels delegation in parliament has lost two-thirds of its 300,000 votes in 10 years' time, he appears to be losing himself in a pathetic lawsuit against a cooperative of leftist newspapermen, as reported elsewhere in this number. The rocket affair was his political turning point. All of this is reminiscent of the fall of Spaak, who was also a great advocate of NATO.

[Question] What did you say in the debate over our foreign and military policy that results in your now, surprisingly, not being a minister any longer?

Henri Simonet: I said the following. That Belgium is a small country that must remain in NATO. That it is not sufficient for us to remain in NATO without discharging our obligations. That Belgium is following the path of a *de facto* neutralism, which I have called a *creeping* neutralism. That that path is very dangerous, not only for the small countries, but also for the alliance itself. That it is always possible to negotiate, of course, but that negotiating is useless when you have no negotiating position. That in an alliance all members of that alliance count, that in that group Belgium could have played a positive rôle, but that we are now feeding the neutralism of other small countries.

[Question] Is there not too little regional European self-interest figured into the terms of that alliance, and into its manner of making decisions? Is NATO not, as it works at present, in conflict with a number of European interests? Is NATO not blocking the path that the European Communities must follow toward co-operation with CEPA, by which West Europe vitally needs to organize a political and economic détente with East Europe? Was it so unreasonable, then, to strive for a harder European position with regard to the decision on the nuclear rockets?

Simonet: You are voicing a working hypothesis here that has currency in some circles, but that has not been officially adopted thus far by a single European government. That is, of course, the heart of the strategy and policy debate between the United States and the European countries. I do not at all deny that there is a problem. Nobody denies that the European countries, if merely on geographical grounds, have a position that differs from the American position. On the basis of the conditions of Europe's economic and political development, too, and our dependence on raw materials, the European countries can make an analysis of the geopolitical world situation and of their political chances of survival that differs from the American analysis. But the question posed in that connection is whether that difference in analysis must inevitably lead to opposite conclusions when it comes to determining the position the West must take with regard to the serious political, strategic, and economic challenges with which we are confronted. Must we, on the basis of those differing analyses, revise our relations with the United States? If we do so, that means that we ourselves must negotiate with the Soviet Union. Then we take our fate into our own hands, including the possible theaters of action that are not located in Europe but in which the development of conflicts may have fatal consequences for the equilibrium of the present system, for our democracy, that is, and for the autonomy of our decisions vis-à-vis the great powers. Is anybody seriously convinced that we can make good on so much ambition? Do you believe that the first of the three big European countries in the alliance has enough economic power and political weight to be able to establish a strategic deterrent to the opponent? Do you believe that the first of our European countries has the will to defend the interests of all Europe on the periphery of our continent? Do you believe that the second of our big countries is in a position to do that, apart from limited operations here and there? And even if I leave Italy out of consideration, do you think that the third big country on our continent still possesses the economic capacity and the political will to assume the responsibility for the interests of Europe, even when they must be defended outside of our own territory? I need not even pose the question whether the small countries are in a position to do that.

If you say yes, that is of course an option, but do not take it amiss if I say that I find it unrealistic. But if you answer negatively and still insist upon an alternative, that means to me that you are accepting a rule of progressive neutralization. To force that upon us is an old ambition of the Soviet Union's, because progressive neutralization comes down in fact to a breach in the alliance between the United States and Europe, and not only in the military but also in the political field. There you have the whole debate. But I do not believe that Europe remains viable in a situation in which it is cut off from the United States. The interests and the analysis of the Europeans and the Americans are not necessarily convergent, and I do see that potentially an opposition can grow up, but I am not of the opinion that such a rift cannot be patched up.

[Question] But does Europe want on the contrary not just not to cut loose from America, but to rivet itself still more securely to the United States? The criticism has been that with their proposal to install nuclear rockets the Americans are playing with the working hypothesis of localizing nuclear conflicts, in Belgium in part. Does this not lower the nuclear threshold?

Simonet: From the moment that you work with the doctrine of flexible response, everybody can obviously realize that that constitutes a part of an overall

strategy of restricting conflicts locally. For no reasonable person can want a conflict to be immediately generalized. If in the first phase the conflict is restricted to the European theater, that serves to provide time for the final negotiation by which the ultimate conflict may perhaps be avoided. But now some circles in Europe are saying to the Americans: if you try to limit conflicts, then we will no longer do anything for our defense. It appears that they are only now discovering a doctrine that is 17 years old. We urge restricting it initially as far as possible to a clash between conventional weapons, after which there may be a switch to tactical nuclear weapons. Only if all of that fails will the global and intercontinental dissuasion be resorted to. By the accident of geography, the first phases will naturally be played out in Europe.

[Question] But then what does Kissinger's warning of the "disengagement" of the Americans mean?

Simonet: The Americans have always insisted that the Europeans must provide a part of their own defense, that the reaction to a Russian attack must be carried out gradually, and that it is in everybody's interest that the reaction be as effective as possible at each of those stages. That means that the imbalance that has grown up at the intermediate stage in which tactical nuclear weapons may possibly be used must be corrected. Now it is precisely those Europeans who are unwilling to make the effort because in fact they want to go out of their way to avoid a political confrontation with the Russians that represent that as an American desire for *disengagement*. This is not correct, for the risk of an American disengagement does not present itself that way. It will arise only if the Americans become convinced that the Europeans are unwilling to bear their part of the collective burden for defense. For there can be no thought of a division of tasks in which the Americans would bear all of the burden by themselves and we would merely practice *détente*. The alliance would not survive that. The problem is that in Washington they think that they can observe that some Europeans want to continue to behave as if nothing had happened in the world, and leave the Americans with the greater part of the burden, now that the restoration of the European strategic balance for the intermediate phase has come up for discussion.

New Consensus

[Question] Has neutralism never tempted you?

Simonet: Never, because it would not seem politic to me for Europe to lose its freedom of decision in the world--and even internally. It is not attractive to me for Europe to stand alone against the Soviet Union.

[Question] Is there not a growing problem that Europe can be drawn into American initiatives in the world in which no European interests are involved, and that we are actually letting ourselves be dragged along in a geopolitical conflict for an American interest, when no political decision-making exists within the alliance, peculiar to Europe itself?

Simonet: The problem of decision-making is the problem of the working of the alliance, and has always existed. It has always been found difficult to form a political consensus within NATO. But once the Americans have their presidential election behind them, have overcome their traumas of Vietnam and Watergate, and

go ahead with their analysis of their relations with their allies, I believe a new consensus can be found concerning the necessary lines of force of a common doctrine for the West for the next few years. We did reach such a consensus once before with the Americans, and it worked well for 20 years. In view of the attitude of the small countries, I believe we are now headed for a sort of *directory*, in which the Americans will regulate matters in the future with the middle-sized countries. If the Americans can arrive at a realistic policy in which they take account of the evolution in their power relationship with the allies and of the bottomless instability of many countries of the Third World, which decidedly cannot be given an entirely military response, I consider it possible that the West will again be in a position to perfect a mechanism by which we can face our political and military challenges. For what interests would the Americans *alone* have that we *do not* share? Is it to our interest, for example, for hotbeds of instability to develop in the Third World, under which our interests would immediately suffer? The question that then arises, of course, is how the Americans react. I think it is possible for us to engage in discussions of that, and I also think that we shall be all the better able to enter into such discussions if the Europeans show that they are willing to assume a part of the cost of ensuring their interests. It is obvious that not enough thinking has been done in Europe about the fact that our dependence has become so great that a part of our lot is always at stake *outside of* Europe. Some in Europe are now trying to escape their part of the burden by pointing to the differing interests of the Americans, which they say are the consequence of the Americans' own political ambitions. But I think we in Europe would be wrong if we developed a policy under which we avoided every difficult choice in advance. The choices that must be made are the result of the instability of the Third World and of a certain Soviet expansionism.

[Question] But what is the nature of the Soviet threat?

Simonet: A threat emanates from the Soviet Union because it consciously has the desire to be a global great power. That is a great power that has enough bases to be able to intervene all over the world. That is why the Russians have built up their fleets so formidably.

[Question] Since Cuba...

Simonet: Every time the Russians do anything, a number of observers have an explanation for their political behavior ready, but every time the Americans start anything, they have to clear themselves of insinuations. That is a tendency in Europe that has contributed to poisoning the climate with the Americans. Since Cuba the Soviets have indeed developed a political system of penetration wherever circumstances permitted, in Africa, the Middle East, and elsewhere. The Soviet Union is striving for equality with the United States, but, unfortunately for them and for us, they obviously can make good on that only in the military field. For the rest the Soviet Union is hardly to be called a success, and the system of which it is the center is no success, either. The Soviet Union thus lives under a threat itself, of course, as may be seen from its behavior today in East Europe. I really believe that Moscow is doing everything it can not to have to intervene in Poland, but can stay out only as long as the present popular movement does not endanger the communist party's monopoly on the use of power. I hasten to say that it does not seem likely to go that far, because the Polish circles involved are acting extremely cautiously. But they are dancing on the

razor's edge. The other European countries, too, certainly do not want the Soviet Union to have to intervene. I wonder how West Europe would react if the drama in Poland should come to a head.

Alien Spirit

[Question] West Europe will perhaps not react.

Simonet: It is evident that West Europe would not react militarily, but it would surely be inevitable that the whole détente notion would be put on ice for a while. Side by side with the desire to act as a global world power on a par with the United States, another constant of Soviet policy is to keep its bastion intact. To that end the Soviet Union tries, like everybody else, of course, to make as many allies as possible. That means that every time Moscow sees an opportunity to kick up a row that will not degenerate into a hard conflict with the Americans it will jump at the chance. That leaves us with the risk of their appreciation, for they may make a mistake. For what may or may not degenerate into a conflict?

[Question] But what the Soviet Union has accomplished in Africa and elsewhere by way of expansionism fits into the notion of equilibrium, which is the very charter of all geostrategy. Why are the Russians denied the right to strive for equality?

Simonet: The Russians have every right, except to create a situation in and outside of Europe in which Belgium and other European countries would become dependent on the good will of the Soviet Union. For the rest, let them develop as best they can. Perhaps they might better direct their dynamism toward their own development, but that does not appear to be the option of their autocratic and bureaucratic exercise of power. As far as I am concerned the Russians may seek as many allies as they wish, and develop as much power in the world as ever they can, but must not in the process make Europe into a continent that depends on them for the development of its economy and of its political relations.

[Question] How must Europe increase its political weight in NATO?

Simonet: I fear we shall not increase our weight by dividing the European countries among themselves, as is now the case. Nor do I see how Belgium increases its weight as a small country by working itself into the margin. In politics you have to follow through to the end on your choice. I fear that one of the greatest reasons for the public crisis at present is that many politicians are not continuing to follow up their choices unambiguously. The Martens III cabinet's TNF [Theater Nuclear Forces] communiqué was a textbook example of ambiguity.

[Question] Is such a declaration of a waiting attitude so damaging?

Simonet: I cannot be convinced that making no decision is better in itself than actually coming to grips with a problem.

[Question] Are you not apprehensive about a speed-up in the arms race?

Simonet: Of all negotiations concerning reduction of armaments, only those negotiations are crowned with success that are conducted from a position of power on

both sides. NATO has not proposed to our states that they throw themselves into the arms race, but that we build up a basis for negotiation. Now I think that to the extent that Belgium waits, we are weakening the very basis of all negotiation. By encouraging similar attitudes in other countries, we are arousing an additional and unnecessary element of tension with the United States.

[Question] We have lived a long time in Europe with the feeling that everything was all right if only we were with the Americans. It appeared to be worth the trouble to enjoy American good will, for they were helping to produce European prosperity. That is all over now, and America is perceived economically as aggressive. Less advantage is seen in unconditionally subscribing to American views. Is the European groping for a new position within NATO not therefore less a product of anti-Americanism or pro-Sovietism than of a desire for self-preservation?

Simonet: I do not say that the Europeans are wrong in pursuing their own interest, I only say that they are wrong in seeking it against the Americans. For we shall not find it that way. We must reconcile our interest with our security, or nothing will be left of it. In my opinion, therefore, the position taken by some circles in Europe does not so much serve their own interests as undermine the basis of the cooperation without which Europe can no longer defend itself and continue to live independently.

[Question] Was your political family unable to accept you in the government again because these views of yours no longer coincide with its own?

Simonet: You will have to ask that family itself about that.

[Question] Are you now a dissident?

Simonet: I voted for my party's participation in the government, and for confidence in the new government. I seek no conflict with my party or with its leaders.

[Question] Is it reconcilable with your political convictions that you could become secretary general of NATO?

Simonet: Well-brought-up people should not talk about the secretariat general of NATO. But if the PS [(French-speaking) Socialist Party] should proclaim that Belgium must get out of NATO, it would naturally present a painful dilemma for a socialist that got the offer of a job with NATO. But the PS has never expressed such a view. Which does not alter the fact that an alien spirit is now moving through our political family. We dare not say that we want out of NATO, but we are behaving as if NATO were a hostile body.

8815

CSO: 3105

VBO'S PULINCKX ATTACKS INDUSTRY, LABOR PROBLEMS

Brussels KNACK in Dutch 12 Nov 80 pp 26-30

[Interview with Raymond Pulinckx, administrator of the VBO, by editors of KNACK: "Shall People Go Hungry for a Little Less?"; date and place of interview not given]

[Text] When the social partners meet in the near future at the National Labor Conference, which is to answer the question about whether there is a good reason for the existence of the current government, Raymond Pulinckx, the administrator delegate of the VBO [Federation of Belgian Enterprises], will once again be the most permanent pillar of the Belgian system. He already represented the organization at the time when the VBO was still the Federation of Belgian Industries [VEN], and when Cool-Major stood up to Spaak-Lefevre. The only bright spot he has noted in the program of the Martens IV administration, as compared to the Martens III cabinet, is the 5 percent tax free provision for enterprises, but for the rest the announced proposals are very limited and very modest for all the recovery the business world desires. In addition to the indexing -- lock, stock and barrel -- the enterprises are also being shouldered with an additional cost of more than 7 billion francs for social security. As far as Raymond Pulinckx is concerned, the only way toward recovery is via a little reasonable phasing out; otherwise, all gains and retentions will be put into question.

[Question] For the time being, the moderation which the government now presents to us as a general rule of life, will, in concrete terms, only come down to a wage moderation to the benefit of your 39 branches of industry. This gives the working people the unpleasant impression that they are the only ones whose income is being reduced, because the other incomes are highly immune. Wouldn't it have been a better strategy if the moderation had really been universally applied?

[Raymond Pulinckx] I cannot, of course, speak in the name of the small businessmen and the liberal professions, only for the enterprises. During the 1975-78 period, the return from our industry was /nill/ [in italics] as against 5 to 14 percent elsewhere. And when you look at gas, electricity and petroleum, then you notice immediately that there have been great differences, and that some enterprises have luckily managed pretty well. But if one takes into account the reward which capital -- whether borrowed or one's own means -- normally should earn, because all costs must after all be covered, then the return in those sectors has definitely not been too high, but rather too /low/ [in italics] elsewhere.

[Question] There was a time when Belgian capitalism produced industrial inventiveness, but that seems to have been a long time ago. With things such as the pocket calculator, the world economy is taking on a new shape, in which we no longer participate. During the last 30 years, our industrial management, which was as well informed as its competitors, and which was not hindered in this respect by taxation or by high labor costs, has not produced any Belgian transistors, any advanced medical equipment or any quartz watches. Your industrialists lag behind with an obsolete production apparatus from which all advanced technology is lacking. Isn't it a justified social response then toward the industrial apparatus which now declares itself to be in distress: why didn't you do a better job? Then we would not, as working people, need to level our incomes.

[Pulinx] It is true that our industrial structure did not adjust sufficiently to the changes which occurred in the international context, but you cannot say that we did not do anything either. The Belgian export package is definitely no longer the same as 10 or 15 years ago. The share of steel and textiles has gone down as against, for example, chemical and manufactured products. Furthermore, there are also enterprises which do well, even in the traditional sectors. Not only are we supposed to no longer produce suitable things, I also often hear the reproach that we cannot sell. Yet, we still are the largest exporter per capita, which also means something. Only, that is no longer sufficient because in some sectors we already have to export at a loss. Moreover, we do not have a domestic market of any significance. Anyone who has to compete with his prices on the world market can allow himself to reduce them substantially if, for example, he only has to export 15 percent of his production and can sell the rest domestically. We cannot do that, on the contrary: we have to get rid of 50, 60, 70 and even more percent of our production abroad in order to reach a normal level of mass production. As far as our production costs are concerned then, we do not get a single advantage. We pay our energy and our raw materials as expensively as anyone else, because we have to import them in full. Belgian interest rates are kept high to attract capital, which does nothing to encourage our own industrialists either. In negotiations with the government and with the unions I never, on principle, use my own statistics from the VBO; I get them from unimpeachable sources. Thus, I have learned from the United States Department of Labor that the labor cost per product unit in Great Britain is indexed at 64, 73 in France, 81 in the Netherlands, 93 in Italy, 100 in the Federal Republic of Germany, and 102 in Belgium.

[Question] But for that, you get the highest productivity in the world.

[Pulinx] The /evolution/ [in italics] of productivity can be measured -- as a result of which we know that it has increased more in Belgium than elsewhere -- but an absolute figure cannot be formulated. Industrial productivity per employed worker is a heterogeneous item. You could, for example, also determine that there are so many man hours in so many tons of steel, but such a figure cannot be determined for the overall industrial production. The more enterprises there are that disappear in Belgium, for example, the greater our productivity will be. As follows. If, as a manufacturer, I reach a production level of 100 with 100 workers, but I can no longer go on because my costs are too high, and after rationalization I produce 10 percent less with 80 workers, then my productivity has increased by 10 percent. Another manufacturer who increases his production by 20 percent, but the number of his workers only by 10 percent, also achieves a 10 percent raise in productivity. Yet, there is a clear difference in the results. Or, let us put it a different way. If, in a given sector, only two businesses are active, one of which

has a productivity of 150 and the other of 100, then the productivity index for that sector would be 125. But if the man with the 100 no longer can go on and disappears from the market, then the whole sector suddenly makes a leap from 125 to 150 in its productivity. So you see that favorable figures can hide unfavorable results.

[Question] Meanwhile, however, we produce more in Belgium now than we did in the top year of 1974, but with 200,000 individuals less, because there are now 350,000 registered unemployed. That is more than the whole population of Ghent prior to the merger, which has been ejected from the industrial process. If you consider the production costs of the enterprises in the light of that kind of unfavorable result, then you must also take into account a finding in a report from the International Monetary Fund, which was given remarkably low coverage in Belgium: the fact that management expenses have also risen more quickly in Belgium than elsewhere. When every tribunal of commerce judge knows that two out of three failures are due to mismanagement. Don't you have any reasonable self-criticism to set against this?

[Pulinckx] Does it seem so unreasonable then that we only ask that our enterprises simply be allowed to keep going under the same conditions as in other countries? We are not asking that our labor costs be set lower than elsewhere; we are not asking for any privileges. We, who have to export so much, only ask that you will take into account the size of our invoice on the world market.

[Question] Your enterprises are asking for unilateral space to maneuver, to which society has still not said no. Is it possible to guarantee a counter-performance; so many jobs in exchange for such a percentage in moderation?

[Pulinckx] Alas, the employers can /not/ [in italics] guarantee anything like that. This is not possible in Belgium, not in France, not in the Federal Republic of Germany and nowhere. We are only asking that we be allowed to work under the same conditions as our competition. All our productivity does not alter the fact that we have to export, without any privileges on the world market. You must admit that it makes matters very difficult for us when such an important item as labor costs are so much higher here than elsewhere. The only guarantee I can actually give is the warning that things can only get worse yet, with even more jobs being lost.

[Question] Belgian industry can stick a feather in its hat for having produced a well trained, prosperous and well-to-do population over the last half century. In exchange for this, the Belgian state maintains legislation to support businesses which, with 150 billion francs per budget, is a world record. If, on top of that, you also have spectacular productivity, then you surely cannot maintain that the small correction of 2 percent in labor costs in comparison with your main German competitor, fatally affects your position. Aren't you over-emphasizing the labor cost factor?

[Pulinckx] This also means that we are still 2 percent /higher/ [in italics] than the industrially strongest in the whole world. If we, as a small country, could only be accommodated with the same cost level as the very best, even without their large domestic market and their other advantages, then we would already be better off by 2 percent.

[Question] How is it possible for the Federal Republic to prosper at 100, while we are going to pieces at 102? Two percent equals a single index adjustment. If we were to drop the Christmas one, for example, as earnest money for our industry, would we be out of the fire then?

[Pulinx] What is at stake here is that we should get closer to the lower costs of our competitors. In this respect, you should not only make the comparison with the Federal Republic of Germany -- as against which we are already in an unfavorable position anyhow --, but also with the average of the other countries.

[Question] Let us, in this comparison, also pay attention to the unemployment figure which, after all statistical corrections, also reaches a record here. Aren't you afraid that the fact that, for more than 5 years now, you have been asking in vain for wage moderation may be due to the fact that this unfavorable result of Belgian industry forms part of a certain distrust of manufacturers?

[Pulinx] When you make comparisons, you also have to compare the various regulations. Part of Belgian unemployment is the product of related regulations. Measured by German or Dutch criteria, we should not have 350,000 but only 180,000 unemployed, and according to the Italian method, not even 60,000. An international comparison really does not warrant the conclusion that our unemployment is higher than elsewhere.

[Question] The problem may well be less a question of a high figure, than the fact that the expulsion of active workers has occurred at a more rapid pace here than elsewhere.

[Pulinx] If you say that industry no longer creates jobs in our country, then you should immediately add something. Industry no longer creates jobs in industry, but through the productivity and the wages it helps create jobs elsewhere. The drop has been more rapid in industry, but globally speaking we have not dismissed any more people than elsewhere. However, we are stuck with a larger number of supported unemployed, because only in our country is it possible for a member of the household to remain unemployed and to receive support his whole life long, even if the family income is high.

[Question] Yet, the newspapers are full of the harsh behavior of the suspension commissions.

[Pulinx] But half a year later, those who were suspended are back or else they have recycled themselves from unemployment to health insurance. This does not exist elsewhere. Theoretically, it is possible only in Belgium, without ever having worked, after completion of one's studies to receive benefits throughout one's whole life.

[Question] Doesn't it make for a peaceful society that the responsibility for those who can no longer keep up has been shifted to national solidarity, without costs to industry?

[Pulinx] I would heartily applaud it if I could continue to afford it. If there were no hole in the budget, I would be the first to propose an increase in family allowances. But there is the gaping deficit. Should we, however, make the working people fork out, and thus /demotivate/ [in italics] them even more, in order to grant favors which do not exist elsewhere?

[Question] The unemployed Belgian is being penalized in terms of his purchasing power, but not totally. He can still just afford his rent, his fuel oil and his food. These remain partly expenditures which produce a net return to the enterprises, aren't they? Besides, you cannot differentiate an unemployed person from an active worker in the subway. For a country with staggering crisis figures, we are experiencing a striking social calm. No Italian terrorism, no drunken bums, no raids from starvation districts into the villas. Our society is maintaining its balance. Don't you appreciate the form of general insurance which the social security budget represents, as compensation for the failure of your industrial structure?

[Pulinx] This is why the VBO did not formulate any proposals for retrenchment in terms of heads of family and singles. We are convinced that everyone should receive his minimal income in any case. But alas, we no longer have the means to continue to help finance the rank and file of the members of the household in this sense. You could put the choice as follows: do we continue, to this end, to skin off the purchasing power of the active workers and to swallow up the means of the enterprises? There is no question of reducing the volume of the social effort, but of shifting and of better spending. What is income for the worker is cost for the employer. If we continue to sell increasingly less because we are too expensive, then our global income will also go down. When we ask for moderation, then it is precisely to try to maintain that global income, and even to improve it.

Devaluation

[Question] Aren't you stressing the wage factor so much because the purchasing power which you create in the population is being spent on Japanese gadgets? Belgian industry is barely able yet to produce a bicycle which appeals to the public. A Walloon socialist is traveling all around the world as minister of foreign trade, to sell a non-adjusted production package, while your competitors are robbing the "new" consumer market blind?

[Pulinx] As far as products are concerned, we are still exporting more than we import. It is the oil bill which makes the difference. In 1975, we had to buy 6½ billion francs worth of petroleum, now it has already risen to a 235 billion franc item. Oil has become so expensive that our surplus in the goods balance is no longer large enough; for the year 1980, we will suffer an overall deficit of 160 billion francs. In the past, services also represented a plus item on the balance of payments, but that has also already been turned negative. Instead of receiving interest on foreign investments in Belgium, we now have to pay on the order of 40 billion francs on loans which we have contracted abroad in order to cover our consumer expenditures.

[Question] Are you insisting on devaluation now?

[Pulinx] There are manufacturers whose costs are expressed in Belgian francs, but who sell in dollars, who would obviously applaud a devaluation. And yet, I dare to say, in the name of all my enterprises and my sectors, that we are not in favor of devaluation.

[Question] Anyone in Belgium who waives an index adjustment, or a 13th or 14th month, experiences a concrete, albeit extra-legal income reduction. This has been stipulated recently in a number of agreements, following social negotiations. Do you generally insist on this?

[Pulincx] In the case of the ship repairmen, the wage freeze was part of a global plan, for which the community had actually released billions of francs. Everybody had to produce; the workers took up their share. In another case in the financial sector, the wage freeze was coupled with the guarantee of job maintenance. The employees yielded something there in order to get something. Alas, I will not be able to negotiate this on a national level. In such specific cases, you can explain to the workers what it is about, what they will buy with it, but our exporters depend too much on foreign factors.

[Question] Can you guarantee that the wage moderation, which will give the enterprises more elbow room, will not be used by the manufacturers, for example, to make in depth investments, which would cause the rejection of even more workers?

[Pulincx] My guarantee lies in the fact that a worsening of the situation can only be prevented by closing the gap between the costs of the Belgian manufacturers and those of his competitors.

[Question] As spokesman for the employers, you talk authoritatively about public policy, from devaluation to the size of social benefits. Your social prestige is the result of your real social function. We are stuck with such a high figure for unemployment because the labor market in the generation after us had to cope with the sudden supply of female workers. But with your rejection of "member of the household," you actually reject this fact of civilization. Our society is built on the cornerstone of free enterprise, but the latter no longer seems to be able to cope with the emancipation of our women. Would you dare tell your daughter that she cannot expect anything more than some needle work?

[Pulincx] In August of this year, 6.3 percent of the Belgian male workers were unemployed, but 17.4 percent of the Belgian female workers. In no other land of the world does this relationship exist; at most double the amount of female unemployed: 2.4 percent men as against 4.8 percent women in the Federal Republic of Germany, 4.6 percent as against 8.5 percent in France, 6.3 percent as against 10.3 percent in Italy, 4.6 percent as against 6.4 in the Netherlands, and so forth. What does that mean? This does not in the least mean that we have created fewer jobs for women in Belgium than elsewhere; it is merely the product of our mild regulations. The VBO proposals do not include anything against women who work, which is not the case in the Netherlands. There, a married woman cannot receive benefits for more than 6 months if her husband has another income.

[Question] You have been in politics long enough to know that the social response of those involved in civil divorce. This looks like a phasing out of Christian civilization, because the Arabs have increased the price of fuel oil. Does the West, with its 2000 year old social value scale, suddenly collapse because camphor in China has become too expensive?

[Pulincx] Are the enterprises then phasing out society in all those other countries which are ahead of us now? Why should we give it up? We are doing just as well as elsewhere, but we are faced with an additional problem. Let us then, in God's name, at least try to create similar living conditions for our enterprises. We have created at least as many jobs for women as any of our neighboring countries. We have even done a little more. We have not only provided jobs, but also a replacement income for members of the household. It is not my fault that there are only

5 percent heads of household among the female workers. As employers we can undoubtedly handle what others can, but to go greatly beyond that is asking too much. We are in favor of retaining everything that was done and obtained during the golden years of the sixties, but we can only do this if our costs do not continue to go up.

[Question] In the sixties, a teacher earned 12,000 francs, he could barely afford a Volkswagen or central heating, he did not have a dishwasher and no vacation in the sun. Weren't the golden sixties a social myth?

[Julinckx] The people may never have had it so good as during the last years prior to 1975, and that was after all accomplished by the enterprises. Do not forget that the oil producing countries now have a surplus of 110 billion dollars, which did not exist in the past. That is a burden on the developing countries and on the industrialized countries, and a relative impoverishment for all those who have to import their energy.

8463

CSO: 3105

DISGRUNTLED DEPUTIES SUBMIT MEMORANDUM

Dynamism Asked from Government

Nicosia BOZKURT in Turkish 15 Nov 80 p 1

[Text] Certain events within NUP [National Unity Party] had at first leaked into the Turkish press and later appeared in the local press. These events continue to rock public opinion with an intensity that goes beyond the scope of earlier events of this nature. Sometime ago a group lead by Famagusta Representative Dr Dervis Eroglu had presented the government with a memorandum. This memorandum had been worded in the form of a warning and had appeared in outline form within the Turkish press. The letter carried the signatures of Dervis Eroglu, Mehmet Bayram, Huseyin Curcioglu, Osman Civiilli, Mehmet Oxturk, and Orhan Bilgehan. The letter demanded that efforts be made for the resolution of problems in three specific areas. It requested that:

- Pressure be put upon Cypfruvex so that producers can be paid the sums that they have been so far denied.
- Cost of living increases be paid as soon as possible.
- The labors of producers and peasants be adequately evaluated, that base prices be determined in conformity with today's conditions and that such groups within society be protected.

We spoke to some of the Representatives who had signed the memorandum. Certain legitimate concerns surfaced as the result of these conversations. They can be stated as follows:

The government remains passive and silent towards the resolution of societal problems. The resolution of problems is being procrastinated. In consequence, the groups that are affected by the problems are pouring out into the streets and utter mayhem is being brought about. Is it absolutely necessary that such major societal upheavals take place before all possible measures are undertaken? Is it absolutely necessary for the government to indicate its willingness to act only when it is backed into a corner? Why cannot problems be resolved in the beginning, before the people pour out into the streets and before they are seized by despair?

It is natural that the NUP Representatives from Famagusta were concerned about the upcoming general elections as they chose to deliver this memorandum. They are in a very difficult position that does not permit them to go to the people and to respond

to the cries of citrus growers, public servants, peasants and producers. During their visits, they are having difficulties in finding people who will even listen to them.

In fact, their absence from the Assembly yesterday was caused by their unwillingness to participate in the debate concerning Cypfruvex. According to what they themselves have said, participating in the debate would have forced them to support the opposition! The position to be adopted by the Famagusta group during today's joint session of the Federated Assembly is the topic of great curiosity. Dervis Eroglu has for a long time been known as the NUP's head in Famagusta and has served as a balancing influence within the party. As he has indicated to the local press, his resignation from NUP is out of the question and there are no current efforts towards any changes at the ministerial level.

In the meantime, some NUP Representatives from Famagusta are saying the following about their opinions concerning the warning strike: "The warning strike is justified. The government has indeed promised cost of living increases but has not specified an amount or a specific time frame for the fulfillment of this promise. In addition, very many problems remain unresolved. In these circumstances, a warning strike is a natural course of action."

The events are founded on the assumption that "this time the interests of the Turkish-Cypriot population are at stake." They have brought about yet another split within NUP. Undoubtedly, the events are also a prelude to intra-party processes by which power groups will be formed and accounts will be settled on the eve of the general elections in 1981.

Spokesman Describes Memorandum Aim

Nicosia BOZKURT in Turkish 20 Nov 80 pp 1, 4

[Text] Nicosia: Yesterday Dr Dervis Eroglu released a written statement on behalf of six NUP Representatives who had earlier presented the government with a memorandum. In the statement he claimed that individuals who were blinded by the ambition of assuming power were providing the perfect example of irresponsible opposition and forwarding ugly allegations. Eroglu's statement refuted these allegations on behalf of himself as well as his friends and read as follows:

"Our warning to the government over important issues has been labelled as 'the movement of the six' by public opinion during the last few days. It should be viewed as a necessary attribute of parliamentary government and as a privilege granted to a minister by the democracy prevailing within the party. As in every other issue, there are those who are blinded by the ambition of assuming power, who give the perfect example of manipulative and irresponsible opposition and who trample the rules of democracy to launch ugly allegations in our direction. We reject these allegations. Our fellow citizens with common sense have provided adequate judgment in the case of opposition parties, who cannot even bring themselves to allow us the exercise of our ministerial duties in matters that closely concern society. Our purpose was to bring about the implementation of satisfactory policy in the case of citrus and all other crops, to secure the payment of cost of living increases to workers in a manner compatible with today's conditions and to help the government in the prompt adoption of measures that concern other sectors of society. Resulting meetings with the Honorable Prime Minister have provided the assurance that the government will display

the appropriate sensitivity in its approach to these matters. While it is clear that the Honorable Head of State has nothing to do with this matter, it is highly significant that some individuals with ulterior motivations have sought to have him involved. I find it useful to repeat that our action had nothing to do with a power struggle or a regional pre-election ploy. In general, our purpose was to add an element of urgency to the resolution of problems that concern every sector of society. We disregard the verdict given by opposition parties who in conformity with their election plans seek to prevent a vigorous approach on the part of the government towards the resolution of the problems. We share the belief and the peace of mind of doing our duty by listening to the voice of the people and not being concerned with votes."

9491

CSO: 4907

DENKTAS AFFIRMS SOLIDARITY WITH PALESTINIANS

Nicosia BOZKURT in Turkish 30 Nov 80 p 1

[Text] Chief of State Rauf Denktas has announced both for himself and for the Moslem Cypriot Turkish population that he would always support the heroic Palestinian people in the struggle they are waging for justice and freedom including the right to form their own state. Denktas, in connection with international solidarity day, sent a telegram to the Palestinian people and the Chairman of the Executive Council of the Palestine Liberation Organization and the Commander in Chief of its armed forces Yasser Arafat. At the same time Prime Minister Mustafa Cagatay also sent a telegram of support to the Palestine Liberation Organization leader. Minister of Foreign Affairs, Defense and Tourism Kenan Atakol in a speech he delivered in connection with National Solidarity day also announced that the Cypriot Turkish people stood beside the Palestinian people in their righteous cause. Atakol, stating that the Palestinian people, like the Cypriot Turkish people, were struggling to take back the rights which had been taken from them, but that as yet they had not achieved the final results. Atakol noted that the fact that a number of countries in recent years had recognized the Palestine Liberation Organization as the sole and lawful representative of the Palestinian people was a positive step but that this was not enough and he went on to speak as follows:

"It is our desire that the entire world, as soon as possible, should recognize the rights of the Palestinian people over their own soil, including the right to form a government. And in this connection I wish to reiterate that the Cypriot Turkish people stand beside the people of Palestine in their just cause and wish them all success."

Message from Ozgur

Chairman of the Republican Turkish Party Ozer Ozgur, in a message published yesterday, announced that the Palestinian people who had been engaged in a struggle to regain their own soil for years would certainly be restored to their lands. Ozgur said that those who had occupied Arab soil would one day be compelled to withdraw.

9353

CSO: 4907

INTEREST RATES ATTRACT TFSC CASH TO TURKEY

Nicosia BOZKURT in Turkish 4 Dec 80 pp 1, 6

[Text] GUN AYDIN newspaper in its "Ekonomi" supplement, which provides the most reliable economic reporting and analysis in Turkey, has announced that the high interest rates which are being implemented in Turkey have caused approximately 3 billion Turkish lira to be transferred to Turkey from the Turkish Federated State of Cyprus. According to the newspaper the high interest rates which have been in effect since 1 July 1980 have attracted deposits from depositors in the Turkish Federated State of Cyprus.

Furthermore the news story goes on to say:

"Due to the fact that the rate of interest for term deposits in Cyprus is still 7 percent and that for demand deposits only 3 or 4 percent, Cypriot depositors are withdrawing their money from banks in Cyprus to deposit it in Turkish banks and some businessmen have worked out procedures by which the goods they sell to Turkish tourists are paid for by deposits in Turkish banks."

A Big Economic Problem

As is known the shortage of liquidity which has arisen in our banks following the implementation in Turkey of a high interest rate policy has come to be one of our economy's most important problems. The shortage of liquidity and the resulting limitations upon the credit facilities of our banks have produced a crisis situation affecting our commercial life, investments and our construction sector. The efforts which the government has expended over recent months have as yet produced no results, and despite the fact that announcements have appeared to the effect that interest rates in the Turkish Federated State of Cyprus are to be raised to a level conforming to current economic conditions it would appear that no steps have been taken to bring this about. In a press conference, on his return from Turkey Prime Minister Mustafa Cagatay responded to a question regarding interest rates by saying that the issue would be included in a program which is being prepared to stabilize the economy. Meanwhile in recent days the sale in Turkey of 6-month term state bonds at an interest rate of 28 percent has brought about a renewed flow of money from the TFSC to Turkey. These days, as the interest year is approaching an end, the prospect that quite a few persons may withdraw their deposits which have completed their terms and transfer them to Turkey has greatly disquieted our bankers, as we have reported previously in a study based upon interviews with banking officials. Consequently it should be evident to all that if measures are to be taken in the matter of interest rates they should be taken before the end of the year.

PAPER SUPPORTS HIGHER PAY FOR RECRUITS, CONSCRIPTS

LD071007 Copenhagen BERLINGSKE TIDENDE in Danish 30 Dec 80 p 6

[Editorial: More Conscripts"]

[Text] In the debate on a better use of the laws on conscription a distinction must be made between the defense forces' acute personnel shortage within the framework of the present defense agreement and the composition of the defense forces after the implementation of a new defense law.

At present fewer conscripts are drafted than provided for under the current regulations. Fewer enlisted volunteers than planned are also being recruited. This has an effect on the mobilization forces, which comprise conscripts, and reduces the standing forces, which today do not amount to the combat force which the current defense legislation requires.

Correcting these present faults will require a lot of money. The transfer of funds from the Labor Ministry's employment projects could be one way of doing this, even though it must be stressed that the primary goal is not to bring down unemployment, which is far too high, but to meet the defense forces' personnel requirements. However, it is difficult to see that the immediate drafting of a number of conscripts would be such an economic burden for society, since we must weight unemployment benefit on the one hand against soldiers' pay and the cost of having conscripts in the defense forces on the other.

A lasting and more radical reform will at any rate be needed when a new defense plan is being implemented. The present plan, adopted in 1973, assumed full employment on the labor market. This circumstance alone is good reason for a change. However, it is more important to recognize that the whole defense forces personnel structure is based on economic premises which are outdated--indeed, which were never fulfilled.

There is no alternative but to return to the system with modest daily payments, at least in the first few months of service, in line with the old system here in Denmark, which is still functioning in the other Nordic countries.

The goal of comparability between the civilian labor market and the defense forces, which is the objective of the present structure with regard to working hours, wages and so on, is impracticable and will be impossible to maintain in a new defense

plan. The gap between the defense forces' personnel requirements and the funds which we can expect the politicians to allot to defense is quite simply too great.

In order to set the necessary deliberations in motion we need nothing less than for the defense minister--perhaps with the support of the political parties which traditionally support defense legislation--to call on his colleagues to begin work immediately on concrete proposals for the reorganization of the defense forces' personnel structure, including the drafting of more conscripts and the training of more officers.

This would also be a realistic approach to solving the problem of allied land reinforcements. Our allies will have difficulty seeing the need to deploy significant army units in Denmark if we maintain a system with a very large underexploited reserve of conscripts.

CSO: 3106

Kohl Rejects Speculation on Coalition Change

Duesseldorf **HANDELSBLATT** in German 9 Dec 80 p 3

[Text] Bonn, 8 Dec--On Monday CDU party chairman Helmut Kohl spoke out firmly against "foolish speculation" concerning changes in the coalition in the next 4 years. This speculation had been fed over the weekend by a report that Kohl would meet with SPD chairman Willy Brandt for discussions.

The CDU chairman, speaking to the "little congress" of the Union in Bonn, affirmed that the CDU and CSU had prepared themselves for a full term in opposition during the legislative session. Nothing was changed in view of the growing difficulties that faced the government alliance. The government would have to deal with its internal differences by itself.

In his status report the CDU chairman expressed the view that the Union was the only political force in the FRG capable of winning a majority by itself, without a coalition. It had a good chance of regaining political leadership if it approached solutions to the difficult problems confronting the FRG "with hard work, calmly and without excitement and haste, and with the unity it had demonstrated in recent months."

Kohl added that the foundation had to be laid now for success in the Land elections to be held beginning in 1982 and the parliamentary election of 1984. As "steward for our fellow citizens" the party had to be sensitive to the problems which cannot be solved with more money, more laws and more agencies alone. The Union's political statements and its platform would have to be communicated to the populace in comprehensible language.

The CDU chairman announced that the party would be concerned mainly with four topics in the coming year:

- with the interrelationship between economic and ecological development and policy affecting the economic and social situation and the family;
- with a critical examination of and self-scrutiny by educational policy;
- with an intensified resumption of the theme of European unification;
- with the pressing questions in the North-South problem area between industrial nations and developing countries.

In the status report Kohl criticized the undifferentiated use of the term "liberal policy," which the Union was supposed to follow. The CDU's basic program, which was the most modern that the Union had ever had, needed only to be transformed into practical policy. In this context Kohl spoke of the "chancellor's failure to provide spiritual leadership." The SPD, he said, was not solving its own crisis of direction.

CDU secretary general Heiner Geissler identified one of the Union's principal tasks to the "little congress" as winning the majority of young people back to the politics of the CDU. Geissler announced that the Union would in future openly discuss burning political issues in a dialogue between party, science and the public.

9581

CSO: 3103

FDP PARTY CONGRESS PRODUCES FEW CHANGES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 8 Dec 80 p 12

[Article by Thomas Meyer: "Congress of Self-Portrayal"]

[Text] Munich, 7 Dec--As a political event the FDP congress in Munich was no more than average. Great, issue-related discussions were missing. Success in the elections on 5 October has benefited the party, but a great deal of strength was used to achieve this success. "This was a congress for catching our breath," said Minister of the Interior Baum.

Much time was wasted in discussing whether the party's "youth work" should be carried out in future by the Young Democrats, or whether the newly formed "Young Liberals" (Julis) should replace them. The struggle between the "evil left" and the "clever kids," as one delegate dubbed the young matadors, ended in a decision by the party to wait and see how the competition develops.

The party chairman and his coworkers demonstrated their loyalty to the coalition at the Munich congress. In public there was to be no doubt possible: the FDP wants to govern for another 4 years with the SPD. Everyone cooperated. Even Count Lambdorff, whose statements on "openmindedness about the coalition" had caused some confusion, left no doubts about his loyalty to the coalition. For the foreseeable future it would be impossible to survive a shift to the CDU within the party, and such a shift would also deprive the FDP of most of its chances to define itself politically.

In its preoccupation with external signals like this, the party almost neglected to come to grips with its own situation. But in the neglect of fundamental debate one thing became clear: the FDP does not want any skirmishes on its wings at the moment. However, the gap between left and right has not been closed yet. That became evident in the board elections and the battles attending them, which were conducted more with spite than finesse. The principal casualty was the Land chairman from the Saar, de Klumpp, who lost his chairmanship because he had quarreled not only with the Young Democrats but with the entire camp of party leftwing liberals. Secretary General Verheugen also suffered severely from the results of his reelection. In his own estimation he had to do penance for a number of things. Many blamed him for the defeat of Josef Ertl. The delegates from Hesse took offense at his criticism of Karry's expansion of Frankfurt airport. Finally, a considerable number of his opponents showed him that his party, with its radical-liberal goals, is intolerable for the secretary general of the whole party. Verheugen needed only a few hours to adjust to his poor election results. But the party suffered permanent harm.

It was Verheugen who had shifted the emphasis at this party congress. With all its commitment to fringe groups, the FDP wants to break out of the minority party corner; it has determined to break into the electoral groups of the big parties. Verheugen said what would be needed most in order to achieve it: a credible workers' policy that appeals not only to executive workers but also includes the socially weaker groups. The concept of co-determination is acquiring new dimensions here, far beyond the current coal and steel dispute.

The delegates in Munich did not discuss this perspective. Perhaps it was still too soon. In the discussion about party platform proposals--which were mostly tabled--a powerful moderate front emerged, whose principal supporters are the Land delegations from North Rhine-Westphalia, Hesse and Baden-Wuerttemberg. Leftwing-liberal preferences dominated in the board elections. Still, the Julia's candidate, Otto, missed election to the parliamentary board by a hair's breadth, which astonished his own supporters.

Under the cloak of this externally uneventful party congress a great deal of discontent was stifled. With the acclamation of Genscher and the interminable "Juno-Juli" debates, those who felt themselves to be the "front-liners" scarcely had the opportunity to air their concerns. They had worked for years at the party grass-roots level and now had to look on as others garnered the laurels. One of them summed it up bitterly: "Once again it was nothing but the stars playing themselves for the media."

9581

C80: 3103

PCF DISSIDENT ELLEINSTEIN ON POLAND, MARCHAIS, POLITICS

Hamburg DER SPIEGEL in German 8 Dec 80 pp 142-153

[Interview with French communist Jean Elleinstein about Poland and the consequences for the West: "'It Is a Matter of Life or Death for Moscow'"]

[Excerpts] For years, Jean Elleinstein was one of the strongest advocates of "Eurocommunism" among West European communist thinkers. The author of a critical "History of the USSR" and deputy head of the PCF research institute "Centre d'Etudes et de Recherches marxistes" in Paris, he shaped the PCF trend critical of Moscow and oriented toward democratization. When party chief Marchais set the PCF again on a Moscow course, the historian and ideologist Jean Elleinstein, 54, was sidetracked. No longer published by party publications, he issued his criticism of the party line in LE MONDE and finally in the FIGARO MAGAZINE, the forum of the new right. Nevertheless the PCF so far has not dared expel the rebel.

SPIEGEL: Something fundamentally new has now happened in Poland: a communist party has permitted free trade unions and the right to strike. Did you think that such a thing was possible?

Elleinstein: I said some years ago that contradictions have emerged in these systems, that a working class getting stronger all the time and millions of other working people are confronting the ruling class. We are facing a new form of workers movement. Inevitably this contradiction is emerging not only in Poland but in East Germany, in Czechoslovakia and in the Soviet Union.

SPIEGEL: Surely the example of Poland also drastically shows the deadend in which these regimes now find themselves: they cannot stay put without risking economic ruin. Nor can they change, however, without risking political disintegration. Where do you think this will lead to?

Elleinstein: I think it will lead to a general crisis of the system, and this is the reason why the Soviet Union was so worried about events in Poland from the start.

SPIEGEL: But what does this mean? Will the system come apart?

Elleinstein: One must realize that it is a question of a historical movement of great dimensions. It will not be completed in a year or two but will last many years. Parts of it could be noticed as early as 1968 in Czechoslovakia, but the Soviet Union covered them up--that is, it invaded Czechoslovakia in order to stifle this movement. And it succeeded in doing so, though only temporarily and partially. The ashes are smoldering on under the fire.

SPIEGEL: And why were the Soviets unable to stamp out the fire for good?

Elleinstein: Because the desire for change is revolutionary, in that it seeks to overturn the existing political system and to change its social bases; and because it is a question of depriving the new class again of its usurped power.

SPIEGEL: Do you mean to say that the crisis is basically a product of the backwardness of a system in which the working class is only now conquering the right to strike, which in capitalist countries it conquered as long ago as early this century?

Elleinstein: Precisely. In fact we even have here the clearest indication of the system's having failed. With the exception of Yugoslavia, this system was imposed by force on all countries of East Europe. With a single exception, the leaders of the Polish Communist Party were shot before the war (in the Soviet Union--Ed). In 1945 too, there were still very few communists in Poland. Soviet bayonets introduced this type of regime. That is the cardinal sin of the Soviet empire.

SPIEGEL: But it is therefore all the more amazing that the Soviets did not right away again march into Poland with their bayonets. Why this hesitation?

Elleinstein: There are many reasons for this, though this is not meant to imply that they will not invade in the end after all. But they face enormous difficulties. First, Poland is a country with more than 35 million inhabitants--no trivial thing. Secondly, the country bears a Western stamp. And, finally, the people are proud of their particular national character. Despite the fact that there was no Polish state for more than a century, these people managed to survive as a nation. All of these things are major obstacles in the way of a Soviet invasion.

I do not mean to imply that the Soviets would lack the military strength for such an invasion, but there certainly would be heavy fighting.

SPIEGEL: But does not the fact that the Russians have hesitated to invade also point to a certain evolution?

Elleinstein: I view this more pessimistically than you do. Such an evolution does exist, but it is proceeding very slowly and has not yet reached the top leaders of the Soviet Union. They have no understanding whatever of what is happening. They fill the breaches but are utterly unable to comprehend the root of the evil.

SPIEGEL: So you do not exclude the possibility of Soviet intervention by any means?

Elleinstein: Not in any way. I identified the problem clearly and precisely from the start, in my first article in LE MONDE of 23 August. The events in Poland are causing an intolerable breach in the system of the Soviet empire and of the Soviet regime at home. In my view, it is a matter of life or death for this system.

SPIEGEL: What is Moscow to do then if, with a view to the great risks, it seeks to avoid a military intervention but at the same time faces a fatal danger?

Eisenstein: Brezhnev is behaving a little like U.S. President Theodore Roosevelt in the early 20th century. He practiced what was called the "policy of the big stick," saying: I show my big stick in order not to have to use it. Accordingly, I would like to describe the attitude of the Soviets and Brezhnev now as the "policy of the big tank." Brezhnev is broad enough to have a tank behind him, and since the events in Czechoslovakia people have known that he can intervene.

In any case one must understand that the Poles fear the intervention, and they have good reason to do so. We people in the West are mere onlookers shouting, "Bravo, bravo, long live the Poles!" What aid are we rendering the Poles, and are we really in a position to defend Poland by force of arms?

SPIEGEL: Is it in fact justifiable to want to defend Poland by force of arms? Surely it is not the meaning of the Western military alliance to defend a country of the Eastern alliance against the predominance of that alliance.

Eisenstein: That is the division of the world that has existed since Yalta. In the case of a Soviet intervention in Poland, we in the West should summon the political courage to manifest our displeasure. Merely a suspension of economic relations would not solve the problem. Only the fear of a war could deter the Russians from an intervention in Poland.

SPIEGEL: Do you really not think that in fact the Russians can be sure that the West will refrain from any warlike threat?

Eisenstein: The Soviets have yet another fear. The Soviet people are very fond of the policy of detente, and the Soviet leaders are reluctant to offend those feelings. Despite the fact that there is no democracy in the Soviet Union, the Soviet leaders are in fact forced to pay regard to the feelings of their citizens. I think Brezhnev's "policy of the big tank" is offset a little by that, and therefore the Soviets are doing all they can to find solutions, to avoid direct intervention.

SPIEGEL: Seeing "antiscialist forces" at work in Poland, East Berlin and Prague have walled off their countries from Poland. In the past few weeks the tone has become dangerously shrill. Do you think the walling off is enough to protect the other East European states from being infected by the Polish disease?

Eisenstein: No, not at all.

SPIEGEL: Do you see signs of such an infection?

Eisenstein: Sure; for example, in Czechoslovakia. Husak had to rush to the coal-mining area of Ostrava because something had begun to stir there.

There are also signs in the GDR, discontent in plants--quite diffuse but present nevertheless. There exists a sort of wait-and-see attitude there, if you will. The people, particularly in Czechoslovakia, are saying to themselves: "All right, we struck the first blow in 1968, and then we were strangled; let us see what happens in Poland." The closing of the borders thus can only be a prophylactic measure intended to place a "cordon sanitaire" around Poland.

SPIEGEL: In your view, are the events in Poland also a result of the policy of detente and of the Helsinki agreements, which Moscow was so set on concluding? Now it is getting the bill.

Elleinstein: Yes; in fact I am convinced that the events in Poland would not have been possible without detente and the Helsinki agreements. I have read many critical analyses stating that the West should not have gone to Helsinki. On the contrary, the West--perhaps unwittingly, I don't know--relied on the basic contradiction in the Soviet system between the people and the ruling class, between the lack of political democracy and the will or desire for such democracy. You know what Lincoln said: that you cannot fool all of the people all the time...

SPIEGEL: Particularly not in the era of television, tourism and the exchange of ideas and goods.

What would you have done in Polish party head Stanislaw Kania's place? He really tried his hand at achieving an unusual political feat; while having to promise his workers in a credible manner that they would keep their new freedoms, he had to assure the Russians just as credibly that the workers would in fact not keep those freedoms?

Elleinstein: A political pragmatist, Kania tried to prevent this contradiction from exploding. He is pursuing a policy of drawing back in order to be able to take a better jump. He draws back and draws back and draws back. But at a certain point his situation will become dramatic; either he will satisfy his workers completely, or he will be forced to employ the forces of repression.

SPIEGEL: At a moment when the Poles want to say goodbye to Soviet communism, the French Communist Party is re-Stalinizing domestically, and externally approving the entire Soviet policy, including the invasion of Afghanistan. Why?

Elleinstein: There are various reasons. First of all, a domestic political one. The PCF was afraid of coming to power jointly with a Socialist Party which had done better than it in the elections.

SPIEGEL: In other words, the PCF had to re-Stalinize in order to regain lost ground?

Elleinstein: Yes; the PCF was afraid of following its logic to its conclusion because this logic no longer had anything in common with the traditional positions of communism. While it was not yet a question of a social democratic position, acknowledgment of pluralism and also political democracy were already included, and this means abandonment of the idea of dictatorship of the proletariat, independence vis-a-vis Moscow and finally democratic statutes within the PCF.

SPIEGEL: Was it really unrealistic to anticipate such a development?

Elleinstein: In any case the differences between Socialists and Communists would have diminished. Since the signing of the Joint Program of the leftwing parties in 1972, the two parties have disputed each other's right to the same territory.

From that time on the PCF preferred to withdraw into itself, to shut itself in a kind of fortress and to behave as if that fortress was being besieged. By relying again more strongly on the Soviet Union, the party is adopting a new image which again sets it off clearly from the Socialist Party. Thus the PCF is reestablishing its identity--albeit one corresponding to an archaic image of communism.

SPIEGEL: In concrete terms, how did this adaptation to Soviet policy take place? As time passed, quite a few intellectuals left the PCF, but none was able--or willing--to reveal the processes by which Moscow imposes its will on the PCF.

Elleinstein: First of all, there is an ideological process.

SPIEGEL: But how does it work? Surely Brezhnev does not constantly get Marchais on the telephone.

Elleinstein: No, I am sure that is not the way. Rather there exists an ideological identity. There is mutual understanding, there are meetings. PCF delegations come to Moscow, the Soviets come to Paris. Then the Soviet Embassy in Paris plays a part. Don't forget that Moscow's ambassador here is not just anybody. It is Mr Chervonenko, who is on the CPSU Central Committee and who was in Prague in 1968. Finally, there are many economic and financial contacts by enterprises under PCF control. All this causes the PCF to follow Soviet policy. It completed a turn to the East. I am sure you know the famous story: "Why is L'HUMANITE more expensive than PRAVDA? Because of the translation expense."

SPIEGEL: As far as you know, is there actually any discussion in the PCF Politburo--nay, about the invasion in Afghanistan?

Elleinstein: There certainly were discussions, particularly in 1976/1977, before it was decided to break with the Socialists and again to support Moscow's policies. In the end the opponents of those policies capitulated.

SPIEGEL: The party line is again being determined by General Secretary Georges Marchais. What individual qualities actually make him the boss?

Elleinstein: First of all the fact that Marchais does very well on television. He presents his ideas with emphasis. Personally I have my doubts there, because he rather has the effect of a joker and is unlikely to gain many votes. But surrounded by the rather colorless functionaries, he is something like a colored bird. And he is very tough and full of energy, in a position to impose his will on others. And with such qualities one manages to prevail in a collective system.

SPIEGEL: The personality cult surrounding Marchais corresponds to the personality cult around Brezhnev in Moscow. Why is there no greater opposition to it in the PCF?

Elleinstein: First of all because the presidential system in France led to a personalization of political power in the first place. But there is opposition to the personality cult surrounding Marchais. Purges were conducted in many sections of the party, with people being expelled who had opposed the policies of Marchais.

SPIEGEL: All that apparently did not do the party any harm, however.

Elleinstein: In the last election the PCF lost a relatively important proportion of the vote, and that was no coincidence. Workers are leaving the PCF on tiptoe, and it cannot be ruled out by any means that the PCF will lose yet more votes in the next election.

SPIEGEL: Because of the policies of Marchais, you mean?

Elleinstein: Not only the policies of Marchais but those of the whole group of leaders have not adapted to the reality of today's world. Rather, the past has been introduced into this contemporary world.

SPIEGEL: How do you then explain the fact that around 20 percent continue to vote Communist?

Elleinstein: Because the Communists are still the heralds, the mouthpieces for the workers' demands. That affects the workers.

SPIEGEL: Presumably you thought for a long time that it was possible to reform the PCF, to turn it into a democratic organization. Do you still think so?

Elleinstein: To paraphrase de Gaulle, I reply to this: "I lost a battle but not the war." It is true that there is no hope for a change in the party leadership, this party leadership being incapable of taking a road of reform.

On the other hand, there are tens of thousands of Communist Party members whose attitude is utterly critical of the Soviet Union, who are perturbed by the events in Poland and who do not think that, as Marchais has said, the balance of communist countries is "positive on a global scale." These party members realize that they are being lied to.

SPIEGEL: Apparently you are of the same opinion, for you have stated publicly that you were in doubt whether people would vote for Marchais in the presidential election in April. Why, in fact, do you think you have not yet been expelled, as Politburo member Roger Garaudy was in 1970?

Elleinstein: The party leadership preferred to institute "administrative proceedings" against me, stating that I had placed myself outside the party. That has the advantage--as far as it is concerned--that a political debate, which it fears, is being avoided.

For if the party leadership expelled me, it would be compelled to listen to me and thus to start a debate.

In 1970, when Garaudy was expelled, he stood alone; today there exists a very important critical movement in the PCF. I do not mean to say that there are a great many supporters of mine, but there are thousands of Communists who are at a loss and are now wondering.

SPIEGEL: So for months there has been the comedy of your challenging the party to expel you and the party challenging you to quit. Why do you not want to turn your back on this church which considers you a heretic?

Elleinstein: The PCF is not the property of the party leadership. The party leadership appropriated power in the party in about the same way as the ruling class appropriated power in the Soviet Union. To leave the party for that reason would mean to give Marchais and his friends a free rein.

In principle I do not have to subject myself to the will of Marchais. If criticizing the Soviet Union means placing oneself outside the party--well, then I have placed myself outside the party. But I have no intention whatever of giving Marchais a free rein.

SPIEGEL: Does one have to draw the conclusion from this that at the presidential election you will actually not vote for the PCF candidate called Georges Marchais?

Elleinstein: In my opinion not the party but the political orientation of the top party leadership must be dealt a defeat. It would be dishonest to conceal from the public the fact that I condemn the disastrous policy of the PCF. One can only wish that the voters too will clearly condemn the pro-soviet, demagogical and anti-socialist policy of the PCF.

SPIEGEL: Thank you for this interview, Mr Elleinstein.

8790

CSO: 3103

FINANCE MINISTER PRESENTS 1981 STATE BUDGET

Athens ATHENS NEWS in English 20 Dec 80 pp 5, 11

[Text]

DEPENDING his 1981 Budget against the criticism showered by the Opposition, Finance Minister Miltiades Evert said:

"We will not allow the Opposition to distort with an economic obfuscation the existing reality in order to make political capital for itself. The Opposition is exercising its criticism by using vague terms, not allowing itself to be pinned down to actual facts or taking a responsible stand on what they believe. The Greek people, however, have learned to differentiate between deeds and words and to know those who actually accomplish things and who take responsibility seriously."

Referring to the consequences of the global economic crisis, Minister Evert said that the pace by which the earnings are expected to rise, on a global scale, will be one per cent, while world wide trade should show an increase of two per cent, as against six per cent for 1978-1979. As a second aspect of the crisis, the Minister mentioned the increasing world population and growing unemployment, presently at 6.2 per cent. He singled out unemployment in the EEC countries specifically, now estimated at 6,000,000, while in the United States it was 7,485,000, in Spain 1,017,000, in Portugal 343,000 and in neighboring Socialist Yugoslavia, 251,000.

Continuing the Minister referred to the worldwide deficit in the balance of payments, excepting from his figures the petroleum producing countries. As an example he quoted the current balance payments of the four most economically powerful countries and said that Japan had had a surplus of 16.5 billion dollars whereas it now had a deficit of 14.4 billion dollars

West Germany, from 9.5 billion dollars deficit, France, from a surplus of 5 billion dollars now had a 9 billion deficit, and Italy's 6 billion dollars surplus had become a deficit of 6 billion dollars.

At this point, the Finance Minister asked the leader of the main Opposition PASOK Party as to how it was possible for the Greek economy not to suffer the consequences of the global crisis, when even economically strong countries were feeling the pinch?

There was no doubt, said the Minister, that the Opposition in its criticism of the government was choosing not to take into consideration the consequences of this global crisis on the Greek economy.

"Our economy for the past 5 years has been moving at a fast pace of economic development, under conditions of total employment, while there was an actual redistribution of earnings in favor of the lower income bracket," pointed out Mr. Evert. The actual National Income was increasing at a

pace of 5.1 per cent he went on to say, while during the same period the countries of the Organization for Economic Cooperation and Development (OECD) were reporting an increase of 3.1 per cent and the EEC countries 2.5 per cent.

The average pace of growth of Greece's industrial production was 6.4 per cent as against that in the countries of the OECD which stood at 2.5 per cent and 1.7 per cent in the EEC. It should also be noted said the Minister, that gross investments were rising at more than double the rate of the OECD and EEC countries.

Specific figures showed clearly how the Opposition had purposely distorted the per cent reality.

UNEMPLOYMENT AND INFLATION

Finance Minister Evert went on to say that one of the characteristics of the Opposition speakers was that they dealt selectively with the economic facts and leveled criticism on them disproportionately. "Our eco-

economic facts are inter-related and one affects the other," he said. There might be inflation of 25 per cent, but unemployment does not exceed 2.5 per cent. It was surely preferable to have a rather high inflation and low unemployment figures than the opposite.

Minister Evert gave an example of the unemployment and inflation that exists in other countries and cited: Italy, inflation 21 per cent, unemployment 7 per cent; Spain, inflation 16 per cent, unemployment 9.2 per cent; Portugal, inflation 23 per cent, unemployment 8.2 per cent; Yugoslavia, inflation 30 per cent, unemployment 12.0 per cent.

The Minister said that he mentioned Yugoslavia in particular in order to show the Opposition how much a Socialist country has been affected by inflation. He went on further to say that the price rises in Yugoslavia from December 1979 to October 1980 were as follows: Bread increased by 29 per cent, beef by 108 per cent, lamb by 45 per cent, butter by 18 per cent, vegetables by 31 per cent, fruit in general by 52 per cent, pears by 35 per cent, cherries by 26 per cent, coffee by 49 per cent, garments by 22 per cent, shoes by 21 per cent, fuel and byproducts by 61 per cent, pharmaceuticals by 120 per cent, and furniture and electrical appliances by 27 per cent.

Continuing his speech on the Budget, the Minister referred to the deficit in the Public Treasury and categorically denied that the deficit had in any way contributed to the inflationary tendencies in the economy, for the simple reason that while on paper it stood at 103 billion drachmas — the same as in 1979 — in percentage of the Gross National Income it was only 5.1 per cent, i.e. smaller than in 1979, when it stood at 6.3 per cent.

The reasons given for the public deficit were:

1. — Improvements in the structure of the economy with public financing.

2. — Low-cost public services, and

3. — Subsidization of agricultural products. For instance Greece had subsidized fertilizers by 5.6 billion drachmas in 1980, in order to allow the Greek farmer to buy his fertilizers at 7,425 drs. per ton, as against 13,895 that this counterpart paid in England and 10,120 drs. per ton in Italy.

Finance Minister Evert went on to say that the percentage of public debt vis-à-vis the gross national income was among the lowest in the world. According to data at hand on September 30, 1980 the country's total public debt was analyzed as follows:

- domestic public debts: 147.3 billion drs.
- foreign public debts: 68.8 billion drs.

The outlook for December 31, 1980 was that the public debt would reach 466 billion drs., which would correspond to 2615 per cent of the national gross income.

The domestic public debt of the country as a percentage of the gross national income in comparison with the countries of the Eastern Bloc runs as follows:

Greece, 5.1 per cent, Soviet Union 16.44 per cent, East Germany 10.58 per cent, Hungary 21.70 per cent, Rumania 18.34 per cent, Bulgaria 15.82 per cent, Czechoslovakia 5.01 per cent.

The government policy has allowed Greece to achieve in 1980 an increase in its National Income of 1.6 per cent, one of the most satisfactory among OECD member countries. In other countries the national income was to be reduced, such as in Britain by 3 per cent and in Denmark by 3 per cent too.

The same economic policy has helped limit inflation at the 1979 standards while in

other countries it has increased. It has also contributed to the restriction of the deficit in the current trade balance to the 1979 standards.

According to data of the International Monetary Fund the Greek currency has been devalued over the last five years against the U.S. dollar less than other currencies with an equal or comparable economic structure.

During the 1976-1979 period the Greek drachma was devalued against: the dollar by 14.7 per cent, the Spanish currency was devalued by 16.9 per cent, the Portuguese by 91.5 per cent, the Israeli by 298.1 per cent, the Yugoslav dinar by 9.3 per cent and the Italian lira by 27.3 per cent.

Greece is obliged to allow for international currency developments for the sake of the Greek farming products which are competing against comparable products being exported by those countries. But apart from those things, the increase in the value of the dollar (which is primarily due to the fixing of the annual interest rate at 20 per cent, together with a positive development in the U.S. Balance of Foreign Payments) has led to a differentiation of the drachma-dollar parity, though it does not necessitate the devaluation of the drachma in comparison with other currencies.

The moderate and conservative policy which Greece followed during the first six months of 1980 yielded the expected results, while in the second six month period a series of new measures were taken for the progressive stimulation of the economy, a phase due to be completed during the first three-month period of 1981.

Which is why in 1981 the rise in the GNP in stable rates will be around 3 per cent. Inflation is not expected to exceed 20 per cent for the following main reasons:

1 -- During the second six months of the current year a small but steady curb in inflation has been observed;

2 -- Certain prices such as those of cattlefeed products have been already re-adjusted during the current year;

3 -- Certain prices of basic services of public utility will not rise;

4.--In 1981 an increase in imported raw material prices is expected on an international scale to be limited. They have already begun showing a curb and it is well known that the imported raw materials have an effect over the living standard;

5.--The rise in oil prices despite the Iran-Iraq crisis is not expected to be considerable.

The policy of cleaning up the local market as proceeding according to plan and no further subsidization should be passed on to the consumer. Such a transfer to consumers of those subsidizations has caused a 6-unit increase in the consumer price index.

The rise of the price index by 25 percent during the last two years clearly does not reflect inflationary pressures on the economy.

G.N.P. growth expected to derive mainly from a rise in industrial output which will be at about 3 per cent and will come from an improvement in domestic and foreign demand.

The following data show the achievements of New Democracy Party governments during the 1974-1979 period:

Per capita income \$2160 (1974) \$4197 (1979)

Cars per 1000 residents 40 (1974) 70 (1979)

T.V. sets per 1000 residents 106 (1974) 160 (1979)

Meat consumption per citizen 37.8 kg (1974) 77 kg (1979)

These data reflect clear evidence of the improvement in the living standard of the Greek people, said the Minister.

SOCIAL POLICY OF THE BUDGET

Touching on the social implications of the 1981 State Budget, Mr. Everi suggested that progress had been demonstrated both in the resources and the expenses sections.

In the social field the Budget's impact was expressed by income tax exemptions from total tax totaling 22

billion drs. These exemptions represent the 25 per cent of personal income tax. With these new measures a salaried father with a wife and two children will not pay any tax if his annual revenues do not exceed 365,000 drs.

It must be stressed that in 1974 the same tax payer would have started paying taxes from total revenues of 140,000 drs. which in 1978 were raised to 225,450 drs.

It can be argued that inflation has absorbed a considerable amount of this difference. But we should then mention that the tax payer with the same income in other countries would pay the following:

England	9.55%
Germany	8.45%
Austria	14.64%
Ireland	9.80%
Italy	11.33%
Norway	15.15%
Finland	17.14%
Belgium	8.41%
Sweden	22.63%

But the social policy of the government through these measures has been extended to persons in need of social assistance, such as the crippled, the blind, and fathers having many children.

Considerable exemptions have been made for farmers so that only 9,000 farming families out of a total 800 thousand families will be obliged to submit annual taxation declarations.

It is also argued that the ratio between direct and indirect taxes is not the same as in the developed nations of the West. "At this point," said the Minister, "I would like to remind you that the ratio between direct and indirect taxes was in 1974, 29 per cent to 71 per cent, and in 1981 31.2 per cent to 68.8 per cent, whereas it would have been 34.8 per cent to 65.2 per cent if the recent tax exemptions, totaling 22 billion drs., had not been made."

TAX EVASION

The Minister of Finance then referred to the controversial issue of tax evasion which has been so much exploited by the Opposition parties who claim that it exceeds 100 billion drachmas.

Mr. Everi acknowledged that the problem existed and affected all segments of the population.

But there is tax evasion all over the world," he said.

"Between that bare fact to claiming that tax evasion costs the country 100 billion drachmas annually there is a long distance."

"The Minister said that the chairman of PASOK was the first to have raised the question of large scale tax evasion by drawing up a series of calculations to show that tax evasion in Greece exceeded the 100 billion drs. But these calculations had ended up with wrong results, he said, because in Greece neither deposits nor agricultural income was taxed. Nor was there any government intention to tax these two income resources. If these two resources were taxed in Greece and the same high taxation rates that exist nowadays in the West were implemented here, naturally and surely the additional incomes would reach 100 billion drachmas. But then both the Greek people and their economy would have been strangled."

The Minister of Finance then spoke of the social policy as provided by the 1981 State Budget and recalled that expenses for education rose by 24 per cent compared with an increase of total

expenses of only 16 per cent.

He also mentioned that during the last five years 16,593 new class-rooms had been constructed, as many as had been built throughout the whole of the 150 years of the free national life of the country.

Mr. Evert also spoke of the 23.7 per cent rise in Defense spending. Concluding his speech to Parliament Mr. Mikhaïlos Evert described the 1981 State Budget as a developing one for the following reasons:

1 — It exercises an increasing influence over the real national product;

2 — It offers the incentive for a considerable effort toward economic development.

But the budget is also anti-inflationary, because:

a) The expenses of the regular State Budget are rising, compared with 1980, by 12.4 per cent, that is to say at a percentage lower than the inflation rate, and

b) the financing of all expenses is from healthy resources.

BALANCE OF PAYMENTS FIGURES PUBLISHED

Athens BUSINESS & FINANCE in English 13 Oct 80 p 2

{Text}

**A high oil bill pushes
up total imports despite
continuing stagnation
of private sector imports**

THE January-October balance of payments figures show a steady improvement over the previous month's (see B&F No. 113) largely due to continuing stagnating imports. Invisible receipts remained healthy but the October exports showed a small decline. Total imports rose by 7.5% to \$8,926 million. Virtually all the increase came again from the 36.5% increase of state imports, most of which is oil. Oil imports accounted for \$2,394 million compared with \$1,714 million a year ago. Oil exports at \$195 million have declined from the \$316 million in 1979. Imports of the private sector remained at the 1979 levels. This was due to the considerable slowdown of economic activity, the voluntary restraint of certain categories of imports applied successfully by the importers' associations, and the lack of any speculative stockpiling this year. These voluntary restraints were terminated last month in view of the forthcoming Greek accession to the EC. State imports accounted for 29% of the total compared with 23% a year ago.

**Invisibles remain strong
but exports show signs
of slackening**

A slackening of exports in October slowed down their growth over 1979 to 9.3%. Exports reached \$3,463 million and covered 38.8% of imports. The trade deficit rose to 6.9% to \$5,463 million. 71% of the trade deficit was covered by the healthy net invisibles. In fact, invisible receipts grew by 11.8% to \$5,269 million.

Receipts from shipping rose by 21.3% to \$1,482 million, manifesting the importance and dynamism of the Greek shipping sector. Despite a drop in tourist arrivals by around 10%, largely due to the substantial decline of American tourists travelling abroad, receipts from tourism rose by 12% to \$1,596 million, quite a satisfactory performance. Emigrant and worker remittances recovered further in October but over the ten month period they fell by 5.6% to \$922 million. Their decline reflects the lower number of Greeks working abroad and the lower net inflows of their deposits in foreign exchange with their banks in Greece. Of the invisible payments which rose by 11.8% to \$1,249 million, the most important items were the interest and dividend payments, and the payments for tourism and education.

Current account deficit drops further below the 1979 levels — amortization increases as well as official borrowing

The slowing down of growth of the trade deficit and the strength of invisible receipts resulted in a further drop of the current account deficit over the previous month. The January-October 1980 current account deficit dropped below last year's level of

\$1,443 million. Adding the higher amortization payments of \$405 million the financing requirements exceeded \$1.8 billion. These were met by the \$1,155 million strong private capital inflows, and a higher official borrowing (\$815 million). Official reserves in gold and convertible currencies stood at \$1,060 million by the end of October, covering slightly more than one month's imports. Nevertheless, gold reserves at about \$170 million are still calculated at SDR35 per ounce, only a fraction of its market price.

Greece: Balance of Payments

(Millions of dollars)

JANUARY-OCTOBER (Preliminary)

	1979	1980	%
1. Imports	8,302	8,926	7.5
a. Private	6,412	6,347	-1.0
b. State	1,890	2,579	36.5
2. Exports	3,168	3,463	9.3
3. Trade deficit	-5,134	-5,463	6.4
4. Net invisibles	3,596	4,020	11.8
a. Receipts	4,713	5,269	11.8
Tourism	1,424	1,596	12.0
Shipping remittances	1,222	1,482	21.3
Emigrant and worker remittances	976	922	-5.6
b. Payments	-1,117	-1,249	11.8
5. Current account deficit	-1,538	-1,443	-6.1
6. Capital inflow (net)	1,017	1,565	53.9
a. Private capital inflow	1,125	1,155	26.7
b. Official borrowing (State, Bank of Greece, public enterprises, supplier credits, SDR's)	257	815	217.1
c. Amortization	-365	-405	11.0
(public)	(-312)	(-340)	9.0
(private)	(-53)	(-65)	22.6
7. Errors and omissions	607	-79	
8. Net position from external operations	86	43	
9. Official assets in gold and convertible currencies	1,136	1,060	
10. Outstanding foreign supplier credits	1,410	1,671	

D'66 SEEN IN ROLE OF LOYAL OPPOSITION PARTY

Between Left, Right

Amsterdam ELSEVIERS MAGAZINE in Dutch 1 Nov 80 pp 50-52

[Analysis by F.A. Hoogendijk: "D'66: Balancing between Left and Right"]

[Text] During the general debate in parliament, Parliamentary Group Leader Jan Terlouw of D'66 [Democrats '66] made a plea for accelerated elections. In his opinion the cabinet is powerless as a result of its narrow range of support and the failing of Specifications '81. But D'66 simultaneously proves that it is not carrying out opposition just for the sake of opposition and thereby it distinguishes itself clearly from the PvdA [Labor Party]. The Democrats, for example, support the cabinet in order to achieve wage moderation. Thereby they increase the range of support for the government coalition. Thus this shows the reasonableness of the Democrats. And it is this reasonable opposition which undoubtedly makes D'66 so popular. But where do these votes come from? From the left or the right? With the aid of the NIPO [Netherlands Institute for Public Opinion] we shall try to give an answer to this which is as detailed as possible.

Until now D'66 has participated in four chamber elections. The vote percentages were, successively, 4.5 percent (1967), 5.8 percent (1971), 4.3 percent (1972) and 5.4 percent (1977). With an average of just 5 percent it thus seemed to be typically a party for 1 out of every 20 Netherlanders for a period of 10 years.

Just like the Liberal Democrats of before the war, who obtained a minimum of 4.6 percent and a maximum of 6.2 percent for the Second Chamber from 1918 through 1937, and who merged into the Labor Party after the liberation (although Mr Oud and his people left it later). We don't know how the Liberal Democrats fared between elections at that time. We do know that about D'66, thanks to the weekly NIPO poll in which people are asked: "What political party would you vote for if the elections were being held today?" After the elections of 1972, D'66 first dropped to unheard-of lows. But then Jan Terlouw came and 1977 nevertheless brought a few more chamber seats than 1972. The last few years, however, the D'66 voting percentages in the polls have risen to almost improbable heights. Almost equal to the NIPO numbers for the VVD [People's Party for Freedom and Democracy]. The "In the Red Rooster"

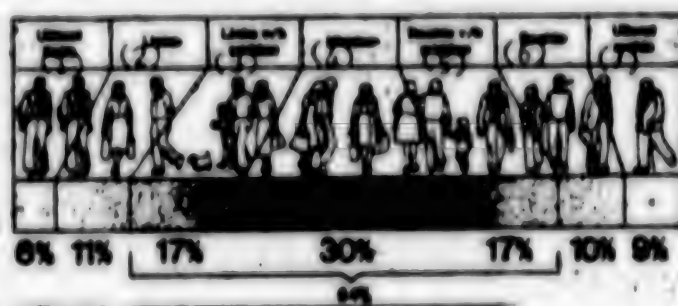
[political broadcast] of the VARA [Workers Radio Amateurs Association] has announced it very regularly and local elections have continually confirmed the picture.

Why is that?

Because Jan Terlouw's D'66, close to the political center for the voters, appears to be much more attractive than the D'66 at the time of Van Mierlo, who let himself be embraced much too friendly by Den Uyl [Labor Party]. In and around that center between the left and the right many Netherlands choose their political home. Thus many votes are housed there. That was the case before the elections of 1977 (see the articles in ELSEVIER of April and May that year). And that is still the case now that next May's elections are approaching.

Every week, through always new national random samples, NIPO interviewers ask as a rule 1000 to 1100 eligible voters to place themselves in one of the seven boxes from left to right. The large majority is able to do so and does. In the table below we have reflected the manner in which 24,975 polled Netherlands positioned themselves along the left/right scale from January through June.

Self-ranking along the political left/right scale (100 percent = 24,975 interviewees).



Key:

1. Extreme left
2. Left
3. Left of center
4. Center
5. Right of center
6. Right
7. Extreme right

There are about 10 million eligible voters. Thus about 3 million "live" in the political center and almost 3½ million on its sides. Those nearly 6½ million around the center supply 96 of the 150 chamber seats. Thus there are a lot more pickings there than from the extreme left (good for 9 seats more or less) or the extreme right (13 or 14). In that central part of the political marketplace D'66 has booked great successes for a considerable time already.

Of the aforementioned 24,975 Netherlands polled from January through June, 21,262 stated which party they would vote for "if the elections were being held today" (an "increase" of 85 percent) and of those, nearly 3,000 (almost 14 percent)

stated that D'66 was their choice now. In the next table we see where the Democrats get their voters.

D'66 votes per box of the political left/right scale (100 percent = 2,883)



Key: [see first table]

Now what would this mean if these had been real elections?

Of the approximately 10 million voters, about 85 percent would have cast their vote and of those about 1,150,000 would have gone to Terlouw's party. That total is the result of the following positioning (NIPO poll January/June 1980):

	23,000	from the extreme left
	115,000	from the left
966,000	414,000	from left of center
around	426,000	from the center
the center	126,000	from right of center
	35,000	from the right
	11,000	from the extreme right
	<u>1,150,000</u>	

Almost 1 million "poll-votes" would have gone to D'66 (in the first 6 months of 1980) from and around the political center; 84 percent of all D'66 votes.

But the weight would indeed be left of center. If we calculate the poll-votes as shares of the totals in each of the seven boxes between left and right, then it becomes clear that D'66 is most popular just left of center.

D'66 vote percentages in the separate left/right positions.



Key: [see first table]

For that matter, the D'66 percentage in the political center is second only to that just left of center. Percentagewise also, the area farther to the left doesn't yield much (The PvdA is firmly present there, as is also the PSP [Pacifist Socialist Party] and PPR [Political Party of Radicals], for that matter).

Half a year before the coming elections D'66 has come close to a center party with respect to its following. Compared to an identical poll of 2 years ago (when only 1,404 of the 28,465 interviewees chose D'66) the percentage of D'66 votes in the position just left of center has become 1 3/4 times as large and that just right of center even 3 times as large.

That adds up nicely, as we saw.

But it also contains risks. In and around the center, namely, people change their party preference more often and more easily than at the extremes of the political spectrum. Thus how D'66 is seen in the political center is of great significance for what will happen between today and the elections of May 1981. The strongly increased "poll-votes" already show that the image of D'66 has become much more attractive there. That was indeed very necessary. Namely, after the previous elections it had strongly declined. At that time, in 1977, NIPO tested it various times, amongst others by submitting the following questions: "Do you still see a clear difference these days between D'66 and the Labor Party or practically no difference?"

Of all the interviewees, thus the entire public, more than half no longer saw any difference between D'66 and the PvdA.

In October 1977, of those who had earlier voted for D'66, 45 percent no longer even saw any difference.

The NIPO posed the same question once again last month. "No true difference between D'66 and Den Uyl's party" has declined to 44 percent of all those interviewed. 42 Percent of them do indeed notice a clear difference and that's where almost all the D'66 votes come from. Among those who notice practically no difference, only 3 percent vote for D'66 ("If the elections were being held today"). Of those who do notice a difference, 20 percent vote for D'66. This proves once again that a political party without a clear identity does not get votes. But that leaves something to be desired in the political center. The following table shows what is lacking.

Difference between D'66 and PvdA according to interviewees who rank themselves with:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Between D'66 and PvdA:							
clear difference	38	34	28	29	32	38	39
almost no difference	64	58	58	60	58	53	45
no opinion	8	7	9	11	12	11	15
	(100)	(100)	(100)	(100)	(100)	(100)	(100)

Key: [see first table]

Half of those in the center see PvdA and D'66 more or less as six of one and half a dozen of the other.

The PvdA leaves no doubt as to its love for D'66. Under Van Mierlo at the time that love was mutual. What would happen if history were to be repeated?

In a different September poll NIPO attempted to test that by, as it were, putting the following words in Terlouw's mouth: /"that D'66 can be in a new government only if it becomes a Den Uyl cabinet with the PvdA again."/ [in italics]

1,367 Netherlanders (18 and older) were asked whether or not they agreed with that idea. The Netherlanders in the political center are rather divided over it. The idea of Den Uyl back together with D'66 gets large majorities only far to the left (where many PvdA voters lie).

A "yes" to socialist advances would cut off considerable further growth around the center.

It would not make much difference for the potential current votes, however. The "Only with Den Uyl" question was followed by: "Which party will you vote for if D'66 officially accepts this plan?" Then the reactions show a little loss for D'66 in the political center and to the right of it, but a little gain left of center.

Thus Jan Terlouw must balance and that's what he's doing. Between votes of the left (which then would largely come from the PvdA) or from the more central area.

Jan Terlouw does not want to put off rightist voters by embracing the PvdA too much. But he does opt for the socialists when it comes to governing. And he does that in the spirit of his following. For among the current D'66 following only 79 percent thought that "only with Den Uyl" was a good idea, as against 14 percent a bad idea (7 percent no opinion). But in the Red Rooster Terlouw said that he doesn't exclude a combination with CDA-VVD. He keeps all options open. Terlouw can do that because he is sure of being asked by one of the parties to participate in the next government. At least, if the current coalition doesn't obtain a majority in the Second Chamber.

The NIPO poll for Veronica-Info ([TV] broadcast 18 June this year) showed, for that matter, that D'66 voters are most interested in the D'66/PvdA/CDA combination. Nearly 4 out of every 10 D'66 voters also showed interest in a D'66/CDA/VVD combination. Thus D'66 in the government together with the two parties of the [current] Van Agt cabinet.

The flexibility of the D'66 voter, which appears inconsistent at first sight, is a normal phenomenon, however: most voters would like the party of their choice to be in the cabinet, although they find one combination of parties more attractive than another. The chairman of D'66, Zeevalking: "Point one is: D'66 wants to be in the government."

Whether Dutch voters tend to go left or right from their own spot on the left/right scale is something NIPO also determines every week.

Of the big group exactly in the center, 43 percent had the tendency during the first 6 months of the year to move to the right, as against 39 percent who would move to the left if they had to polarize (over 18 percent remained where they were and didn't budge).

In the center tending toward the right:	16 percent votes D'66	(But CDA and VVD will get more votes there)
In the center without budgeting:	20 percent votes D'66	(Almost as many as the percentages for CDA and PvdA)
In the center tending toward the left:	26 percent votes D'66	(But the PvdA obtains about 1 1/2 times as many here)

These tendencies can lead to a D'66 gain or loss more easily than for any other party, precisely because such a great part of its current poll votes come from the center and its immediate surrounding.

Insert p 52

The accumulation of about 28,000 interviews makes detailed analyses possible. Thus one can have a look at which Netherlanders and where in the country the percentage of D'66 votes is above or below the national average. This is rendered below in a quick summary, as follows:

[insert continued on following page]

Age	D'66 percentage	Church Affiliation	D'66 percentage
18, 19	+ + +	Calvinist	- -
20/24	+ +	Roman Catholic	-
25/29	+ +	Reformed	-
30/34	+ +	Other Churches	-
35/39	+ +	No church	+ +

40/44	0		
45/49	-	Municipalities	D'66 percentage
50/54	- -	Over 400,000 inhabitants	+
55/59	- -	100,000/400,000	" +
60/64	- -	50,000/100,000	" +
over 65	- - -	20,000/50,000	" 0
		10,000/20,000	" - -
		5,000/10,000	" -
		under 5,000	" - -

Annual income*	D'66 percentage	Province	D'66 percentage
close to			
11,300	- -	Groningen	-
14,100	- -	Friesland	-
17,658	- -	Drente	-
22,100	- -	Overijssel	-
26,750	+	Gelderland	-
34,400	+ +	Utrecht	+
43,100	+ +	North Holland	+
55,800	+ +	South Holland	+
67,300	+ +	Zeeland	- -
84,100	+	North Brabant	-
105,100	+	Limburg	-
(guilders)			

*Interviewees indicate on a given list to which amount their income comes closest.

Position in Next Cabinet

Amsterdam ELSEVIERS MAGAZINE in Dutch 1 Nov 80 pp 144-148

[Report by Dieudonne ten Berge: "The Pink Center Party: 'Contribution of D'66 for the Eighties Still Vague'"; items in italics published in italics]

[Text] On Friday and Saturday D'66 will hold a congress on nuclear armament. The NATO decision to station 572 new medium range nuclear arms in Europe divides the Democrats. A majority is against that NATO decision. But there is a good chance that D'66 will participate in the government in the next cabinet and then its hands cannot be bound too strongly. Thus now the trick is to take as point of departure a principle with which one can go in any direction. That is also wise relative to the voters, for divided parties lose elections. D'66, the pink center party, is managing on its way to the Second Chamber elections of next May.

"Experience has taught us that we always do a lot better in polls than in elections," Member of the Second Chamber Brinkhorst is heard saying regularly. "We now lie somewhere between 20 and 30 seats. If we get 15 or 16 of those, I'll be very happy." Other members of the parliamentary group also show a little reticence about the euphoria which every new election prognosis has shown until recently. "If we go over 18 or 19 seats, it won't be so pleasant any longer; then you will get the sort of competition problems which every big parliamentary group is faced with," says Ineke Lambers, one of the three female members of the chamber of D'66, generally called /the girls/. Whether D'66 has to wait until the elections to have the possibly sobering elections driven home is doubtful. Already now the decline in the polls is setting in. The popularity of D'66 seems to have passed the high point.

The campaign for the new elections is again being put together by professional advertisers. That is not unusual, for other political parties also have come to the realization that the people don't vote at all for the party platforms which have been produced so laboriously. They go for the packaging, the personalities. The face of D'66 is Terlouw. That is the strength and simultaneously the weakness of the party. The advantage of having such a vote-drawing leader is obvious. But because D'66 has not yet properly arrived at the building of its own foundations and structure, it means that the party is indeed very much at the mercy of the leading figure. D'66 will stand or fall with Terlouw.

He is called the ideal son-in-law. Neat, not too elegant, a well-groomed appearance and speech, highly educated, calm and controlled. It is not as much a matter of what he does or says, but the way in which he does it. He is so refined. What Terlouw says sounds reasonable. D'66 is not called the /reasonable alternative/ for nothing. That advertising slogan turned out to be a magnificent electoral find. "Real liberals, mild and tolerant, are welcome with us," the reasoning went and that struck a note. A considerable number of potential

VVD [People's Party for Freedom and Democracy] voters turned away from [VVD's] Wiegels in his vested suit, ultra-conservative in their eyes. "Those people are just liberals in their thinking, and would have no trouble at all with Vonhoff or Grootenboer. They agree with us particularly in the socio-economic area. But Hans Wiegels simply happens to have that damaged image," one says in VVD circles. But the PvdA [Labor Party] also lost to D'66. The not so uplifting manner in which they played the power game after the 10-seat gain of the previous elections, the opportunism of many of their members of the chamber, and a new party chairman, Max van den Berg, who is called a "Rasputin-like" figure, caused great losses. And finally the labor pains of the CDA [Christian Democratic Appeal] also supplied new D'66 votes from those ranks.

The neat, pink center party of Terlouw offered everyone hope. And Jan Terlouw appears to be the incarnation of reasonableness, an image carefully cultivated by the party and by Terlouw himself. His fans say: "He carefully listens to everyone and lets every belief come into its own." His enemies say: "He does not make choices himself; he carefully determines where the majority lies and then places himself approximately on that line. He bends with the wind."

It looks as if Terlouw's glitter is slowly disappearing within D'66. Close collaborators find that he doesn't go into matters deeply enough. "He really knows very little about it," some say straightforwardly. "He is abroad too much. He is first in line for every free trip." Moreover, his so-called "startling vanity" is offensive to some people. "He is rancorous toward people who don't agree with him," says a close collaborator.

Where does D'66 actually stand in current politics? During the last general debate Terlouw explained neatly and without melodrama that the cabinet would do the country a tremendous service by leaving immediately. Subsequently it turned out that D'66 felt quite comfortable with the socio-economic policy as developed by CDA Parliamentary Group Chairman Lubbers which is also being taken over by the VVD and Van Agt with a few changes, supplements and nuances. When it came to voting at the end of the 4-day debate, however, D'66 appeared to be looking a different way. Terlouw did not want to help the cabinet get a comfortable majority, although he did agree with the government crew with respect to substance. He looks like a student who is caught cheating and is simply being laughed at by the left and the right when he tries to justify his behavior.

"We had to make a choice on politics or content; we chose politics," said financial specialist Engwirda after the debate. He is in favor of the policy, but vote against it. Long live reasonableness and political clarity. PvdA, CDA and VVD are listening to D'66's contribution to the parliamentary discussions with mounting resentment. The PvdA doesn't benefit by D'66 choosing the side of the socialists for political reasons, but in fact being more interested in a CDA policy. That doesn't look very promising for a new coalition. The CDA doesn't benefit either by D'66 outwardly supporting the same policy as the CDA, but in fact choosing the other side. And the VVD sadly notes that in many debates D'66 shakes the CDA loose from the government camp through compromise motions and brings it closer to the PvdA. The three parties agree that D'66 doesn't promote political clarity. But how can they say that aloud about a party which shortly might be needed so much by each? The VVD hopes for the support of D'66 for a second

Van Agt cabinet. The CDA and D'66 often are on the same line in practical politics and for the PvdA, D'66 could have the function of nibbling away votes from the CDA and the VVD, so that these parties won't obtain a majority.

The big parties call D'66 opportunistic. But because of opportunistic reasons, they nevertheless don't dare attack the party publicly. And in that climate D'66 thrives and Terlouw plays the little game of /"Who can do anything to me?"/. They are so little used to being attacked that a single little critical article in the press makes D'66 Vice Chairman Van Oorschot exclaim that Dutch journalists "are vultures, eager for any little fight." And Terlouw spent an important part of his speaking time in the general debate on defending himself against the criticism on D'66 by Prime Minister Van Agt in the latter's ELSEVIER interview of a few weeks ago. Without being able to refute anything of what the prime minister had said, for that matter. D'66 is spoiled, a little blase.

Van Mierlo's lesson has been learned, meanwhile. "No more declarations of love in the direction of the socialists," reads the motto. Also, the VVD isn't damned and rejected in advance. "We do not exclude any democratic party," Terlouw keeps saying. In a recent interview with the HAAGSE POST he said: "In itself, a combination with the PvdA would not be bad for us. I think we would be constantly busy steering the PvdA toward a reasonable policy. There would be a lot of fighting in the Catshuis [government offices] and D'66 would continually be front page news." In other words: D'66 wants to pursue a different policy from that of the PvdA, and that leads to trouble.

"The combination of CDA with D'66 is not at all favorable for us, on the other hand," Terlouw says in the same interview. "It would be extremely difficult for us to portray ourselves in that. Then it would not be easy to show that the policy is different because D'66 is in the government, nor for the parliamentary group in the chamber either." In this Terlouw is thus saying that as to content he can get along quite well with the CDA. But further there are no choices, neither to the left nor the right. Within the party a great number of people reproach Terlouw for that. "He is avoiding actual choices at crucial moments, just like Den Uyl," it is said. "He thinks he can calmly discuss matters such as nuclear armament with a congress in a reasonable manner," says a surprised collaborator in the group. Brinkhorst could explain to him what the reasonableness of the following is like. Brinkhorst has been travelling through the country for several weeks, together with nuclear arms opponent Toomel, a representative from Drenthe. At the many D'66 meetings where he speaks he finds little reason and a lot of emotion. He was not given much hearing for his reasonable tale. Brinkhorst would very much like to become minister of foreign affairs in a subsequent cabinet and he is mortally afraid of getting an unworkable mandate from his party. In the area of nuclear arms D'66 has four trends: the first trend is in favor of modernizing NATO nuclear arms, but that trend hardly receives a bid. Then there is the Brinkhorst line: a decision to place the new missiles must be made only after negotiations with the Soviet Union. The third trend is the Toomel line: reject modernization and, if necessary, accept an inferior position in armament. That line received the majority last year. The fourth trend is the IKV [Inter-Church Peace Council] line: reject modernization and ward off all other nuclear tasks. A compromise is in the making, but the risk remains, for the final choice is being pushed forward.

There is a good chance that D'66 may have an important input in the policy of the eighties. What the contribution of the party will be is still unclear to everyone, including D'66 members themselves. Its following is a curious melting pot of the most divergent types. Partly those are reasonably thinking economists of the Engwirda sort. Partly they are environment freaks for whom every nuclear plant is a potential Hiroshima and who earn enough to buy their unsprayed food at the expensive healthfood store. In addition a very great number of intellectual idealists who believe profoundly that all people are just as reasonable as they are and that it is possible to talk with anyone. "What always strikes me at a D'66 congress is the great number of well-educated, but extremely naive, flower children," says a D'66 member of the chamber. "Friendly intellectuals who think they can change the world with verbal violence." That mixed following will partly determine the direction of the party. One knows what one is against: against the collectivist and too censorious approach of the PvdA, against the vague CDA and against the conservative VVD. What one is in favor of, is not clear yet. D'66 members say: "Our heart is on the left and our reason is on the right." Thus the politics of D'66 depend a little on the reaction of the people. Will feeling or reason dominate? In D'66 they don't yet know themselves. An interesting piece of information for the voter.

Terlouw, the Politician Who Enjoys the Most Confidence

The NIPU regularly asks the following question about leading politicians and other prominent figures: "Do you have a lot of confidence in him (her), a little confidence, or no confidence at all?"

When the question is asked about Jan Terlouw, higher confidence percentages result than for any other party leader. Higher even than for Prime Minister Van Agt!

Poll	Much Confidence in Terlouw
	Percentage
March 1977	38
November 1977	38
September 1978	43
May 1980	42

In the last poll Terlouw scored 75 percent "much confidence" among (past) D'66 voters, 37 percent among CDA voters and 35 percent among the VVD following.

It is of some significance for the drawing power on (past) PvdA voters that Terlouw enjoys much confidence there with 51 percent, while Den Uyl gets only 10 percent more (61 percent) of the "much confidence" vote there.

From left to right it looks as follows:

Interviewees who rank themselves with:

	Extreme Left	Left of Center	Center	Right of Center	Right	Extreme Right
	%	%	%	%	%	%
Much confidence in:						
Den Uyl	50	59	46	25	15	8
Terlouw	47	48	59	39	44	25

(Poll May 1980)

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CONGRESS TO DECIDE DEN UYL'S POSITION ON ELECTION LIST

Rotterdam NRC HANDELSBLAD in Dutch 29 Nov 80 p 7

[Report by J.M. Bik: "Den Uyl Must Pursue Election Struggle First in PvdA (Labor Party)"]

[Text] At the end of February 1981, the PvdA will hold its 3-day election congress. Then, after having heard the discussions in their branches and regions, the socialist congress attendees will decide the definite format of their election program. Then they will also decide whether Opposition Leader Den Uyl will act as primary candidate in the May 1982 [sic] elections for the Second Chamber. The congress attendees do that on occasion, in particular with respect to the stipulation of the Peace and Security chapter of their program, to which Den Uyl since last summer has publicly tied the decision, decisive for him, that the Netherlands must remain a member of NATO and should retain one or two nuclear tasks in it. That surprised many party associates, and in most cases, unpleasantly.

The fact that many members of the PvdA were taken by surprise is not surprising, however. Until now, Den Uyl has never set personal limitations of this nature during his long period as first man of the PvdA. But it is also true that in the past he regularly has had his party associates make such far-out statements on the subject of peace and security that the position he has taken now may be called remarkable.

In that respect, one might think back to the joint turning point congresses of the PvdA, PPR [Political Party of Radicals] and D'66 [Democrats '66] in 1972 when befriended D'66 members were allowed to redress the joint election platform on this point during a nocturnal closed deliberation. Or back to the PvdA congress on Peace and Security of 1975 which set the Dutch NATO membership at a term of a few years unless conditions were met, which still have not been met in part. Thus, in view of the history, one can certainly sympathize with the surprise of many a PvdA member over the behavior of the primary candidate, meanwhile appointed as such last September.

Long March

An enormous flow of amendments has come forth from the branches on the draft election platform. To the extent those proposals for amendments affect the chapter Peace and Security, the majority collide with the Den Uyl line, partly because they want to make the Netherlands free of nuclear arms in accordance with the slogan of the IKV [Inter-Church Peace Council], partly also because they aim at ending the Dutch NATO membership.

Precise conclusions with respect to the chances of Den Uyl cannot yet be tied to those amendments, for no one really knows whether they are representative of (all) the branches. But it is certain--and everyone agrees--that Den Uyl will have a very difficult time presently, for it is of course even less true that the amendments submitted would not say anything about the mood in the branches. It is also certain that many party associates--wrongly--do not really want to believe that Den Uyl is really serious about his threat or, respectively, they take into account that "Mr Fix-It Joop [Den Uyl]" at the proper time no doubt will once again conjure up a passable compromise. That impression is mistaken, and partly because of that the prospective candidate has started the long march through the PvdA to change the mood as much as possible to his advantage between now and February 1981.

Backwards

Where Den Uyl can do so, he explains his position in speeches, wherever possible through the media, last week for example through the VARA [Workers Radio Amateurs Association] radio program Z1, the news program of the TROS [Television-Radio Broadcasting Corporation] television and the NOS [Netherlands Broadcasting Foundation] television program "The Hague Today."

Those who heard Den Uyl defend himself a week ago in the radio program of the "related" [to the PvdA] VARA with much patience against--reported freely--the proposition that he (with his standpoint) really wouldn't do, could understand how difficult this long march is going to be. Briefly, Den Uyl's defense is that the Netherlands can and must retain an influence on the (nuclear) arms control process through maintaining a minimum number of nuclear arms tasks. And furthermore that in that manner one can prevent the FRG from feeling uncovered in the rear, for then Chancellor Schmidt, otherwise praised for his contribution to arms control endeavors, might possibly react "backwards."

One certainly can find fault with that reasoning of Den Uyl. The draft election program of the PvdA is taking into account a retrenchment of the currently estimated financial means for the conventional Dutch contribution to NATO, about which the current minister of defense writes that in fact they are already insufficient to meet long-term agreements which have been made.

Further, the program, and also Den Uyl, wants to reduce--if necessary unilaterally--the number of Dutch nuclear tasks from the current six to one or two in the coming government period. And moreover the draft program says a categorical "no" to the modernizing of medium range nuclear arms in Western Europe, on which NATO decided in December 1979.

The latter, however, is interesting for more than one reason. Over a year ago the PvdA was still pleading for a so-called moratorium with respect to the modernization of nuclear arms, that is to say its effort was aimed at inducing the Soviet Union--in exchange for NATO's abandoning of modernization--to entirely or partly abandon further production and placing of comparable arms, which Moscow rapidly and rather firmly modified. Last December, in the Chamber debate on the NATO decision which affects the PvdA, amongst others, it was purported that there

was "at present" no longer a reason for such modernization. A few months later one wondered again which international development had led to the fact that in the draft program of the PvdA modernization was completely rejected while the Soviet Union still proved to be willing to start arms control discussions, in spite of (or thanks to?) the NATO decision.

The second reason which makes this shift in the PvdA position so interesting is that precisely Chancellor Schmidt is the man who has very much urged NATO's nuclear arms modernization, partly because he is of the opinion that only in a situation of a certain balance between East and West can the arms control debate be seriously started.

And precisely this Schmidt, who is praised so highly also by Dutch parties which deviate more or less from this line, such as the PvdA, D'66 and CDA [Christian Democratic Appeal], had asked the Netherlands amongst other things to participate in the nuclear arms modernization from the standpoint of political solidarity.

It is not a question here of whether the Netherlands will shortly find itself forced to curtail the defense budget, and neither is it a question of whether the existing number of nuclear arms tasks in NATO could be decreased, and it is even less a question of whether the Netherlands will be allowed or will have to try to get the chosen number of 572 new NATO nuclear arms reduced. What is at stake here is that Den Uyl's reasoning, in all the difficulties he already evokes in his own party, probably is not sound enough to prevent the result feared by him.

Concessions

Indeed it is extremely doubtful that the Federal Republic would still see its small western neighbor as a serious NATO discussion partner if simultaneously the latter considerably curtails its conventional contribution in the coming years, rejects modernization of nuclear arms and unilaterally sheds four or five nuclear arms tasks. The same will be true for other, bigger NATO partners, who are the most important factors in the arms control deliberation.

In this respect Den Uyl has taken a rather paradoxical position: what is too much for many of his party associates could possibly be too little for, amongst others, Schmidt. However that may be, this side of the matter -- namely that Den Uyl, and with him almost the entire PvdA executive, in fact also has made extreme concessions to his party associates -- is hardly being discussed within the biggest opposition party. Indeed these concessions, at least until now, hardly seem to have a "battering function" within the PvdA.

The latter happens to be precisely what Den Uyl would like. Of course, at the end of February he would wish that his congress would want to follow him for the content of his standpoint and not, grinding their teeth, in spite of his standpoint. As matters look now, it appears as if the latter will, however, be the maximum result he may hope for. Such a Pyrrhic victory would mean, however, that the PvdA aligns itself outside of NATO with respect to nuclear arms (and still other things), but its primary candidate and the largest part of its Second Chamber group align themselves within the NATO council as a concession. Then what can the PvdA politicians, should they acquire government responsibility shortly, do within NATO with that type of content in a mandate which itself already poses problems?

Small Candle

There is one other possibility, which for that matter is being mentioned only in fearful whispers within the administration and the Second Chamber group of the PvdA due to its "unimaginableness." That is that before and during the party congress it may turn out that the critical tide can no longer be turned, so that Den Uyl will have to disappear from the political stage as a result of his first public authoritative utterance.

The unthinkable thought, the thought unthinkable? Then the PvdA would have literally beheaded itself a little over 2 months before the election day. Expressed in stronger terms, whereas great majorities of the chamber group and the party executive agree with the primary candidate (and have indicated so), one would have to search for a believable successor of Den Uyl with a little candle.

The discussion within the PvdA on nuclear arms and security, which in many respects has something in common with a growing national dislike of "scary things" (whether they serve deterrence or modern technology), is gnawing on the energy needed for the election campaign and is equally hindering the organizational preparation for the elections. Numerous extremely important questions threaten to disappear temporarily behind this discussion; the PvdA suffers under the nuclear arms question in that sense also.

An example: even last spring the PvdA, and not it alone, was enthusiastic about maintaining the purchasing power of modal incomes. Half a year later the defense line coincides with the purchasing power of the minimum wages. How will it be in 1 or 4 months' time when new macro-economic setbacks lead to even tighter problems of choice with respect to incomes, returns, work opportunity, the levelling policy and the coupling of welfare minimums to the minimum wage? However that may be, one can defend the position that the election campaign can only really start for the PvdA on 1 March, namely only when an end has come to the uncertainty of whether Den Uyl will be the primary candidate and on what conditions. Before that time a great part of the exhausting campaign will more than usually take place in private circles.

R700

CSO: 3105

USSR SHOULD RESPECT 'EQUAL RIGHT' TO SECURITY

LD071159 Oslo AFTENPOSTEN in Norwegian 24 Dec 80 p 2

[Editorial: "Frydenlund in Moscow"]

[Text] Knut Frydenlund has put behind him the first Norwegian foreign ministerial visit to our Soviet neighbor since 1966, after a period during which Norway's relations with Moscow have been difficult and at the very time when tension between East and West is greater than for many years. The visit has been useful, both as a link in the chain of contacts which should take place across the lines of the political game in Europe, and particularly as a part of the underdeveloped dialog at a high political level between Norwegian and Soviet leaders. Technological, economic and political developments mean that the points of contact between our two countries continue to increase, not least in the north, and will require mutual respect and willingness to cooperate if they are not also to develop into points of friction. Frydenlund rightly pointed out, in his speech to Foreign Minister Andrey Gromyko, that there is "broad support among the Norwegian people for maintaining and building further on good-neighborly relations with the Soviet Union."

But the departure point for such expansion must always be not only Norway's NATO membership, which Frydenlund has stressed a number of times during his stay in Moscow, but also Soviet recognition of Norway's right as an independent state to guarantee its own security, alone and in collaboration with its allies. In ceremonial speeches and communiques the Russians are more than willing to allow Norway such a right, but as soon as practical security measures come into the picture, Norwegian authorities are subjected to severe Soviet criticism which once again burdens relations between our two countries. We have seen this so many times in the past in connection with so many different issues, ever since Norway joined NATO in 1949, that we have often been able to ask whether the Soviet Union is really able and willing to accept a small neighbor's equal right to guarantee its own security. The most recent instance has concerned the contingency stockpiling of U.S. military equipment, and here Frydenlund was subjected to sharp criticism on three occasions in a single day in Moscow: We must expect similar new objections to be raised whenever the Russians are displeased about something. We ought to note that during Frydenlund's visit the Russian leaders in no way gave credit for the Norwegian decision to site the contingency stockpiles in Trondelag and not in northern Norway; unilateral concessions and considerations are accepted in Moscow as if this were something self-evident. It again confirms that the foundation for a fruitful and realistic Norwegian

policy toward the Soviet Union must be laid in Norway itself, through a government demonstration of firmness and clarity in the implementation of a well thoughtout security policy, solidly based on the strong will to defend Norway to be found in Norwegian public opinion.

If the Russians respect Norway's right as an independent state to guarantee its own security, and the government succeeds in pursuing a relatively correct line in its security and foreign policies, then all the conditions will be fulfilled for mutually beneficial cooperation between Norway and the Soviet Union on a number of practical questions. Both Norway and the Soviet Union expressed in Moscow a desire for expanded cooperation, and we believe and hope that Frydenlund's visit will have made a positive contribution to bringing such cooperation a step closer. But only time and the Russians' future policy will tell whether further polemics or increased contact will characterize relations between our two countries in the years to come.

CSO: 3108

BRIEFS

COMMUNIST PARTY SUPPORTS REARMAMENT--The Norwegian Workers' CP (Marxist-Leninist) [AKP (M-L)] has called for more ground-to-air defenses and armored defense vehicles, stronger coastal defenses and a standing force in southern Norway. The Marxist-Leninists dissociate themselves from notions of Norwegian disarmament. "It is absolutely necessary for a little nation like Norway to develop a strong and independent national invasion defense capability," says a statement from the AKP (M-L) national conference held in Oslo last weekend. The national conference dissociated itself from the plans for the contingency stockpiling of U.S. military equipment in Norway and said that the threat from the Soviet Union must instead be met by strengthening the defense forces' capacity to fight against an invasion. [Question] Is it not a problem for the AKP (M-L) that the party is on an obvious collision course with the vast majority of the Norwegian people, who think that Norwegian NATO membership ensures Norway's security, party Chairman Paal Steigan? [Answer] I fully realize that people have that view. But this is simply due to the fact that there has been no realistic alternative to NATO membership. [Question] And is there now? [Answer] The alternative is a Norway that has rearmed. I agree with people who consider the Soviet Union the greatest threat to world peace. However, I do not want Norway to be a pawn in the United States' global game. [Excerpt] [LD061009 Oslo AFTENPOSTEN in Norwegian 30 Dec 80 p 12]

CSO: 3108

SPS CONFERENCE PROPOSES REFERENDUM ON ARMAMENT

Zurich NEUE ZUERCHER ZEITUNG in German 2 Dec 80 p 11

[Article by gfh: "Two People's Initiatives and a Dream of a Newspaper"]

[Text] This year's party congress of the Social Democratic Party of Switzerland (SPS), which took place on Saturday and Sunday in Geneva's ultramodern conference center, was conducted with more discipline than was the case at previous noisier meetings, although the list of subjects under discussion was just as lengthy, and the overall tone of the negotiations was less emotional, although the troublesomeness of the left as compared to the voting population was at least the same. Emphasis during the 17 hours of negotiations was primarily on the launching of new initiatives--the referendum on armament and possibly an initiative for obtaining finances--the "internal mobilization" of the SPS which is suffering from loss of members, the restoration of the party's finances, and Roman Brodmann's display of fireworks on media policy, which led to the renunciation of the SPS's planned deliberation of the media policy concept, and instead revived old dreams of a "great leftist newspaper" in Switzerland.

More Money for Political Education

In the presence of numerous guests from Switzerland and from abroad--among them Federal Council members Pierre Aubert and Willi Ritschard, and PLO representative Daoud Barakat, who was greeted with great applause--the approximately 700 delegates first addressed themselves to the topic of "internal party mobilization."

Stefan Partmann (Solothurn), president of the committee for the party's internal educational work, based the necessity for internal educational work on the contemporary jargon of leftist pedagogy. He said that it is necessary because "making the workforce apolitical is a major goal of bourgeois social policy." The educational goal of the traditional workers' education, which had been under the motto of "knowledge is power," is no longer sought; instead it is an "autonomous and self-administered education," which apparently is no longer to be "alienated" through (learning) achievements. Plans for 1982 under the new concept include, among other things, increased education for women and the furthering of youth. The necessary means for that are secured by a change of statute which prescribes that in future at least one-tenth of the party's finances are to be used for political education. The delegates voted 406 to 5 in favor of this statutory change, which would release approximately 100,000 francs for educational purposes immediately.

Initiative To Obtain Finances as Means of Pressure

Party president Helmut Hubacher took action for the first time in dealing with suggestions for launching new peoples' initiatives--which are always numerous at SPS conferences. He explained the party chairman's proposal that the congress should order the party leadership to launch only one, at most two initiatives, and merely set the order of priorities. Highest priority--and this was totally undisputed--was given to the introduction of a referendum on armament credits, as had been demanded by last year's conference in Bern under leftwing leadership. Second, it is to be made possible for the party leadership (and with it the SP fraction in the confederate councils), to launch a "people's initiative in the area of finance with partial appropriation" in favor of public transit, which should contain the following elements: heavy traffic tax, highway stickers and tunnel fees, as well as an expanded appropriation of part of the gasoline tariff surcharge. According to Hubacher, obtaining new state finances is important because "rightist liberalism" pursues a policy which leads to an empty treasury and will not allow Finance Minister Ritschard to be successful. For that reason, he stated, a "goal-directed financial initiative" is even more important at this time than the also desired improvements in social insurance.

Following this, numerous section representatives spoke in favor of launching initiatives in the areas of the "second column" and of health insurance, but also for tunnel fees, party financing and "improved personal protection." Party president Hubacher also denounced the "second pillar" which is being shaped in parliament, and stated that in the council's version it would cause "a national deception rather than a national pension." But in spite of this, he stated, one must not forestall the conclusion of the parliamentary debates. A possible result could be collaboration with the federation of trade unions, which will presumably launch a social political initiative at a somewhat later date.

Radical Rhetoric in Social Policy

Basic criticism of the unusual procedure of delegating the launching of initiatives to the party leadership was heard primarily from the president of the Young Socialists, Andreas Gross from Zurich: "We will not be told by the party leadership for what cause we ought to go into the streets and collect signatures!" According to Gross, the party congress itself must decide which initiatives the party wishes to launch. But this opposition lost 336 to 162. As consolation, as it were, the party leadership had a strongly worded resolution regarding the "second column" distributed and passed, in which the bourgeois parties, among others, are accused of having broken promises made in 1972. The "bourgeoisie" is accused of having no sense of responsibility to the state or to the people.

First, however, the launching of the initiative to introduce the referendum on armament had been decided almost unanimously--even federal councilmember Aubert raised his pink voting card. Thus, the SPS's initiative priority list for the coming fiscal year reads as follows:

1. The introduction of the referendum on armament will certainly be started.
2. The "initiative for obtaining finances" will presumably be launched by the party leadership.

3. In case it should appear "unalterable" to the party leadership, it can launch an initiative on the "second column or health insurance--or at least threaten to do so.

Support of the "Mitenand" Initiative and of the Civil Service Initiative

The party leadership was less successful in its guarded recommendations in support of current initiatives. Still in agreement with the party leadership, the delegates approved the support of the people's initiative "for a real civil service" which had been launched in 1979. They went further in their support of the "Mitenand" initiative, obligating the SPS with a vote of 252 to 160 to join the initiative committee and to participate actively in the campaign. The congress also supported a petition which is to grant all foreigners living in Switzerland for at least 5 years the right to vote in local elections. Support of an RML apprentice workshop initiative and of a termination initiative of the Christian labor unions was rejected, however, in spite of the insistence of two sections from Geneva. We cannot "write blank checks left and right," declared councilwoman Lilian Uchtenhagen from Zurich.

Choice of Business Leadership

After the statutory and undisputed re-election of party president Helmut Tobacher, the choice of the SPS business leadership turned into a somewhat hateful exchange, provoked by the Jusos with a leaflet: Finally chosen for & soon to be vacated seats were national councilwoman Yvette Jaggi from Lausanne, Anna Ratti from Casacca, Marcel Schneider from Langnau and Roger Giedermann from Schaffhausen. The Jean-Ziegler assistant Andreas Frutiger, as Juso candidate, and Prof George Peters from Lausanne lost--overall, rather a defeat for the all too aggressive left wing.

SIRMEN ASSESS STATEMENTS OF GREEK PRIME MINISTER

Istanbul CUMHURİYET in Turkish 28 Dec 80 p 3

[Editorial by Ali Sirmen]

[Text] The statements that Greek Prime Minister Yeoryios Rallis made to Milliyet are interesting; they are filled with points as contradictory as they are interesting.

Yeoryios Rallis' statements contain positive points from the standpoint of Turkish-Greek relations. Chief among these is his assertion that it would be ridiculous to pursue the Megalo Idea at this juncture. It is encouraging that this country's prime minister has stated that groups pursuing the Megalo Idea in Greece are small and foolish organizations.

Similarly, Mr Rallis' statement that he definitely believes in cooperation between Turkey and Greece is hopeful. And in fact the Greek Prime Minister's assertion that the Ataturk-Venizelos rapprochement was an act of reason and not sentiment and his regarding this past development as a sign of the necessity for cooperation between the two countries are the products of a rational as well as a positive and constructive approach to events.

We see that Greek Prime Minister Rallis believes in the usefulness of a summit conference. He said that when required he is ready to meet with the Turkish prime minister. "However, a number of individuals in the Greek government say that such a meeting must be well prepared and concrete results must be produced so as not to disappoint the peoples of both nations who pin their hopes on it."

One must endorse this approach as a realistic one.

It is impossible not to agree with Mr Rallis' conclusion that the biggest problem between Turkey and Greece is mutual distrust.

From this point on certain contradictions arise in the logic of Mr Rallis' statements which have been internally consistent up to here and which should be greeted positively by Turkish opinion. In fact, with regard to disarmament of Greek islands in the Aegean, Mr Rallis never gave a candid and satisfactory answer, asserting that even to discuss the matter would be objectionable.

Yet we are all aware that international agreements demand all manner of weaponry be removed from the Greek islands in the Aegean.

At a time when, in our opinion, Turkey is acquiescing in the wrong way to points which Greece made conditional for its return to NATO's military wing and when Turkey is making major and altruistic gestures of good will, it should be expected that Athens would favor positive developments on the Aegean islands issue.

Reticence on this matter turns the problem of mutual distrust into a question of: which came first, the chicken or the egg?

If Greece expects an end to distrust as the prerequisite for returning the Aegean islands to the status envisioned by international agreements, it should know that the Turkish public also desires a solution to the islands problem as a positive step in overcoming this distrust. If a first step is required to remove distrust, then the ball is in Greece's corner. For Turkey, right or wrong, took an important step on the matter of returning Athens to the military wing.

On another matter, the Greek parliament's efforts against the Turks of western Thrace aimed at limiting their rights and freedoms and, more, the return of Ataturk posters and Turkish flags sent to Turkish children in western Thrace--both occurring as Rallis' statements go to press--appear to be actions contradictory to the prime minister's words.

Sending Ataturk posters to Turks in western Thrace is not intended to arouse chauvinist feelings among these people.

Ataturk's conception of nationalism is devoid of chauvinism and racism. Besides, Ataturk--along with Venizelos--is one of the two great architects of Turkish-Greek rapprochement.

Despite all of these contradictions, we who sincerely wish to transform the Aegean into a sea of tranquility and cooperation for the peoples of both shores are prepared to view the positive tack of Greek Prime Minister Rallis' statements as the first glimmer of a step forward.

CSO: 4907

MEMBERS OF ILLEGAL KURDISH GROUP ARRESTED

Istanbul DUNYA in Turkish 10 Dec 80 pp 1, 5

[Text] Teams of the Ankara Police Department Political Branch have uncovered activities in Ankara conducted by an illegal group called the Turkish Kurdistan Socialist Party. The teams carried out a series of operations resulting in the arrest of 33 persons.

Ankara province leaders of this group, who were apparently conducting activities with "divisionist and separatist" aims, and militants of cells affiliated with them were also arrested.

As the result of investigations it became apparent that this illegal group--established with the name the Turkish Kurdish Socialist Party and reportedly having a Marxist-Leninist oriented platform--previously disguised itself with the name the Iraqi Kurdistan Socialist Party. It appears that attorney Kemal Burkay, who was convicted on charges of divisionism by the Diyarbakir Martial Law Military Court in 1972, founded the group and serves as its leader. According to gathered information it has been determined that Burkay fled to East Germany after the 12 September coup.

Police seized the charter used by this group--which is known to have conducted joint operations with Freedom Road and the Revolutionary Peoples Culture Association--documents regarding its program, leaflets announcing its establishment, 73 thousand lira in cash, and a check for 175 thousand lira.

In addition, 16,877 books, magazines, newspapers, placards, and leaflets reflecting their divisionist and separatist views and destined for transport to Konya's Yunak district were removed from the place where group members had kept them hidden while in Ankara.

The occupations of the 33, who, for custody purposes, were turned over to legal authorities of the Ankara Martial Law Command along with the documents prepared on them, are: 9 independent professionals, 7 workers, 7 students, 6 civil servants, 1 teacher, and 3 unemployed.

CSO: 4907

NEW SEVERANCE PAY LAW EXAMINED

Istanbul CUMHURİYET in Turkish 10 Dec 80 p 5

[Editorial by Sukran Ketenci]

[Text] Without even 2 months having gone by since the passage of the severance pay law, the topics of discussion during the first scientific meeting on the new provisions have made it evident that the severance pay problem with regard to employer-employee relations is a priority matter and that the solution to such problems will be sought in new legal arrangements.

It has been pointed out that severance pay, which reportedly will take the place of unemployment insurance for short-term employment and retirement bonuses for long-term employment, can never sustain these distorted functions especially after its restructuring. It is evident that even some employers defend the need to establish unemployment insurance as soon as possible.

But the sides support antithetical positions as to whether the right to severance pay facilitates the dismissal of employees. While employers state that the burden of severance pay has an impact on employee dismissal, unionists have stressed that it presents no obstacle to the employers arbitrarily dismissing an employee.

In addressing the new problems brought about by the new severance pay law, the consensus reached for varied reasons was: "Loopholes have been left that are in need of legal resolution. It is defective from the standpoint of legal procedure. As with all laws, implementation has created new problems and new legal arrangements will be required to resolve these new problems."

Minister of Labor Prof Turan Esener has disclosed that the new fund law will clarify "the right to severance pay for resignation." Prof Kenan Tuncomag and other scholars and jurists, who made an evaluation as to the legality of the new provisions, asserted that the law has a mandatory rule: payments cannot be made either for resignation or in other like cases--no matter the description--and employers who do pay will be subject criminal penalties. It is stressed that backward provisions of the law which invalidate labor contracts debilitate the principle of protecting rights already gained.

Some employers have said that the phenomenon called "social flare up" must be monitored and that they are seeking ways of paying severance according to Article 16--since it is illegal at this time to dismiss a worker in line with

Article 13--to workers who want to quit. Some of them defend the necessity of the new legal provisions using a completely opposite tact. They have proposed the abrogation of such provisions in the law as "(a worker) cannot remain less than 30 days."

On the one hand there is an inclination to seek solutions to the problems brought on by the new law in the fund bill or in new legal arrangements while, on the other hand, lawsuits hack away at the right to severance pay.... Moreover, a new ruling has been added to those stating that weekday and holiday wages will not be taken into account for severance pay purposes and that limited military service in related work fields will not be covered by severance pay. In ruling number 1278 of statute 980/1075, certificated periods also will not be taken into account for severance pay purposes.

It is apparent that this is a unique development in the 14-year history of the independent labor movement. But the severance pay right--whose function has been distorted by installing it in the place of numerous worker rights--will be debated for quite a long time and most probably will in the end work to the disadvantage of all workers.

I wonder if those who have opened their eyes to the development of a severance pay right are the ones attempting to find shelter in it? But when will they put on the agenda the innumerable and vastly important worker rights that have never existed in Turkish labor law? We should state right now that this problem was directed at the unionist and the worker long before the employer and the legislator. There must first of all be a realization that insurance for job insecurity and unemployment are more important than severance pay and that severance pay cannot take the place of these prerogatives.

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